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Low Water—20.27.

The

FIRST EDITION

Hongkong Telegraph

GILMAN'S

for—



JAPANESE LANDINGS AT CAMBODIA PORTS REPORTED UNDER WAY

SPECIAL TO THE "TELEGRAPH"

SAIGON, July 27 (UP).—IT IS UNCONFIRMEDLY REPORTED THAT JAPANESE TROOPS HAVE STARTED TO DISEMBARK AT UNDESIGNATED CAMBODIA PORTS THIS EVENING. MEMBERS OF THE JAPANESE MISSION WHEN QUESTIONED ABOUT THE REPORT REPLIED, "WE DON'T KNOW."

SEVERAL JAPANESE MILITARY TRUCKS, DRIVEN FROM HANOI, RUMBLED THROUGH THE STREETS OF SAIGON TO-DAY HERALDING THE JAPANESE OCCUPATION WHICH IS EXPECTED TO BE IN FULL SWING BY TUESDAY. THE CITY IS QUIET AND THE CINEMAS AND CAFES ARE CROWDED WITH NORMAL WEEK-END THROGS.

Soviets Continue Magnificent Defence

LONDON, July 27 (Reuter).—The latest news from the Russian front received by authoritative quarters in London shows that during the past week, the opposing lines remained practically unchanged with the Russian forces putting up a magnificent defence.

Soviet Front Latest

INTENSIVE FIGHTING Another Raid On Moscow

SPECIAL TO THE "TELEGRAPH"

MOSCOW, July 27 (UP).—A

Soviet communiqué on the night

of July 27 says: "Our troops

continued their intensive fight-

ing in the Smolensk and

Zhitomir directions. In other

directions and sections there

have been no important engage-

ments.

"Our aviation raided enemy

motorised and mechanised troops

and aerodromes."

Fifth Raid on Moscow

SPECIAL TO THE "TELEGRAPH"

MOSCOW, July 27 (UP).—The

fifth German raid on Moscow took

place last night. The alarm was

given at 11.55 p.m. and the "all

clear" signal was sounded at 3.30

a.m.

Several waves totalling 100 planes

attempted a mass raid. However,

according to the "Tass" agency, not

more than seven planes penetrated

the defence ring and of these six

were shot down.

Explosive and incendiary bombs

caused casualties and fires.

Hitler's Communique

SPECIAL TO THE "TELEGRAPH"

BERLIN, July 27 (UP).—The

Fuehrer's Headquarters has issued a

communiqué stating that operations

are continuing successfully on the

entire eastern front and that Moscow

was successfully bombed last night.

Grim War Games In Britain

LONDON, July 27 (Reuter).

At dawn to-day, the biggest

"invasion" exercises ever staged

in Britain began in and around

Reading.

While "German" planes roared

over the town and parachutists

descended, Fifth Columnists, en-

deavoured to create a diversion.

At the same time, air-borne troops

equipped with armoured vehicles

landed in the neighbourhood.

Home Guards and the Fire Service

and all other branches of the civil

defence services took part. Home

Guards particularly distinguished

themselves in the clever use of local

knowledge to delay the "invaders"

pending the arrival of heavily armed

infantry.

All Devices Used

Smoke screens, gas tanks and all

modern methods were introduced.

London and Nottingham have also

witnessed to-day large scale invasion

exercises. Both in London and

Nottingham, spectators witnessed

ferocious fighting between

"invading" tanks and Home Guards.

Approximately 100 members of the Japanese Mission have taken up residence at the Continental Hotel. They are in uniform wearing the Rising Sun brassards.

Throngs of curious Annamites, French and Chinese remained outside of the hotel all day.

The Japanese immediately started on shopping tours—apparently all photographers were virtually cleaned out of all good cameras.

The suspension of the Dutch air service between Saigon, Singapore and Batavia has further cut off Indo-China from the rest of the world.

Commenting on the present position, the head of the naval section of the Japanese Mission told the "United Press," Troops and sailors coming to south Indo-China are the best disciplined men and no incidents with the Chinese or French are anticipated. We do not wish to treat the Chinese badly here providing they are willing to co-operate. On the contrary we will help them wherever possible.

Asked why the Chinese Chamber of Commerce building had been selected as the Japanese headquarters, the spokesman replied that the Japanese needed large buildings and the occupation of the Chinese Chamber of Commerce building complied with the agreement.

Mission To Settle Incidents
Questioned as to who would settle incidents likely to arise between the Chinese, French and Japanese forces, the spokesman said that the Mission would do that.

Asked if Japanese officers were apprehensive of incidents being likely, the spokesman said they were not very likely because the Japanese forces coming to Saigon would co-operate with the French against aggression.

He denied that the Japanese occupation forces would attempt to force merchants to accept yen and that "in accordance with Japan's agreement with the French, the Japanese forces will be paid in piastres."

Pressure On Thais To Join New Order?
SPECIAL TO THE "TELEGRAPH"

CHUNGKING, July 27 (UP).

Military authorities have re-

leased a statement that reliable

reports affirm Japan has de-

mandated that Thailand join the

"New Order in East Asia" block.

The Japanese promise Thailand the

Indo-Chinese provinces of Laos and

Cambodia.

It is also said that 20 fully loaded

transport left Canton on July 20 and

July 21 in a southwesterly direction.

The reports state that the Japan-

ese are concentrating troops on Hal-

lan Island and Formosa but so far

none have been transferred to the

north. The suggestion is therefore

that they will be used to threaten or

attack Thailand.

They can afford to lose a small por-

tion of territory."

I asked M. Lozovsky for particulars

of the bombing of the Floest pipeline,

the centre of the Rumanian oil

fields. He smiled, saying, "Floest,

there is nothing left but the name."

Italians In Asmara Prove Amenable To Discipline

(By "Reuter's" Chief Correspondent in Cairo)

ASMARA, Eritrea, July 27.—Some Italians in this British occupied town are now coming out into the open as anti-Fascists. Others are unwilling to commit themselves while they suspect that there is any chance of Fascism returning, but practically all of them, officials and civilians, show an almost unnatural readiness to co-operate with the British authorities.

The general feeling among the Italians here is one of bitterness against their leaders. The political problem, however, is small compared with the economic problem facing the British administration.

Eritrea has always been developed by the Italians as a show place on uneconomic lines. A big attempt is now being made to get the economic life of the country running. Eritrea

has numerous garages and works

ready for anything except to build

cars, and they are said to be only

equipped in England by Birmingham

in numbers and equipment.

Resuming Work

British possession of this El Dorado

of machine tools is helping to solve

the transport problems of the Middle

TURN to Back Page, Column 3

Halifax Meets Roosevelt

This is the first picture of Viscount Halifax, the British Ambassador to Washington, and President Roosevelt together. Lord Halifax has announced that he is shortly leaving for London to consult the British Cabinet.



JAPANESE EXPECT MORE EMBARGOES

Tokyo Press Comment

Special to the "Telegraph"

TOKYO, July 27 (UP).—The "Asahi Shimbun" to-day predicted that the United States would continue its economic warfare against Japan by an oil embargo and additional economic pressure by other restrictions.

The paper added that "in view of the current international situation, the United States was not likely to modify the course she had followed against Japan."

However, the paper warned President Roosevelt that any attempt to obstruct Japanese trade with South America would fail, since "he should remember that so far all American efforts to check rising tensions had proved a dismal failure."

The "Nichi Nichi" warned that the United States may face war unless she realises that she is following "Roosevelt's apparent belief that he can scare Japan into adopting a more moderate policy."

The paper claimed that that the United States had consistently followed a provocative policy in the Far East, adding, "the latest provocation will only serve to unite the Japanese nation and harden nation will bent upon achieving its ideals."

The "Yomiuri" said that the free-

dom of the world would not be maintained by the United States unless it was willing to help America's allies.

Publication of the exact figures might give the enemy valuable information and jeopardise the Atlantic life-line.

"Now that life-line is much stronger. No enemy action can now stop the ceaseless line of ships coming here daily, laden with something much more substantial than hopes and sympathy. During the past few months, thousands of American-made aeroplanes have been flown across the Atlantic or shipped to Britain. A vast programme for building thousands of giant Boeing four-engine bombers is far advanced and Hitler will not be able to move his factories far enough to escape their devastating power of destruction."

Ceaseless Toil For Britain
"America has already sent several hundred tanks throughout your empire. Many more are en route. Ocean-going ships, many of which TURN to Back Page, Column 3

ing of assets had compelled Japan and Indo-China to realise that "Asiatics must depend upon Asia's own resources."

dropped no bombs. They circled over the outlying cities around Chungking, Tungling and Hochwan where they are believed to have dropped bombs.

The majority of the bombers headed for Chengtu but details of the destruction there are not yet known.

U.S. Warships Guarding Atlantic

STIRRING WORDS OF ENCOURAGEMENT AND HOPE FOR BRITAIN

LONDON, July 27 (Reuter).—"To-night British and American warships are patrolling the Atlantic on parallel lanes with only one object in view, namely to guard the world's life-line," said President Roosevelt's personal envoy, Mr Harry Hopkins, during a broadcast from London to-night.

Mr Hopkins mentioned that the bomber in which he flew the Atlantic recently was accompanied by 20 other bombers and he declared that thousands of American aircraft have already been flown across the Atlantic or had been shipped to Britain.

"I came here on business which is the same as that of every other American down to the man who drives a rivet in shipyards or runs the lathe in aeroplane factories—the business of safeguarding our heritage of freedom of thought and action."

Mr Hopkins declared: "Right now Hitler is seriously threatening this heritage of ours."

President Roosevelt, speaking for the American nation, is rendering more than his services to Britain. Even now American destroyers are plunging their bows into the waters of the North Atlantic. Once this mighty ocean separated us. Now it joins us. The President is at one with Mr Churchill in determination to break the ruthless power of the sinful psychopathic of Berlin."

Unbreakable Bridge

After declaring that he had carried out President Roosevelt's instructions to find out just what Britain needed now and whether cargoes were arriving safely, Mr Hopkins continued: "To-day the Atlantic is merely a channel. A bridge of friendship spans it. A bridge of sympathy and admiration extends from Washington to London and although unseen, it is so strong that all the powers of darkness and Nazi terrorism cannot destroy it. We no longer measure distance in miles. The Hun is only 21 miles from Dover, yet he and his puny ways were 2,000 years away from Dover."

"Like most Americans, I feel that your fight is the fight for the freedom of the whole world and that it must not and will not fail. At one time you received messages of goodwill from America. The President realised that that was not enough. He realised that sympathy is human but that a flying Fortress can drop more bombs. He knew that admiration was pleasing but that a destroyer could drop depth charges."

Figures Withheld

"The Lease and Lend Bill was the answer, putting our admiration and sympathies into a tangible form and providing a weapon against a tyrant—against a man who would enslave our democracies."

"Until now Britain has not been told just what help America has given. Publication of the exact figures might give the enemy valuable information and jeopardise the Atlantic life-line."

"Now that life-line is much stronger. No enemy action can now stop the ceaseless line of ships coming here daily, laden with something much more substantial than hopes and sympathy. During the past few months, thousands of American-made aeroplanes have been flown across the Atlantic or shipped to Britain. A vast programme for building thousands of giant Boeing four-engine bombers is far advanced and Hitler will not be able to move his factories far enough to escape their devastating power of destruction."

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Szechwan Suffers Its Biggest Raid of Year

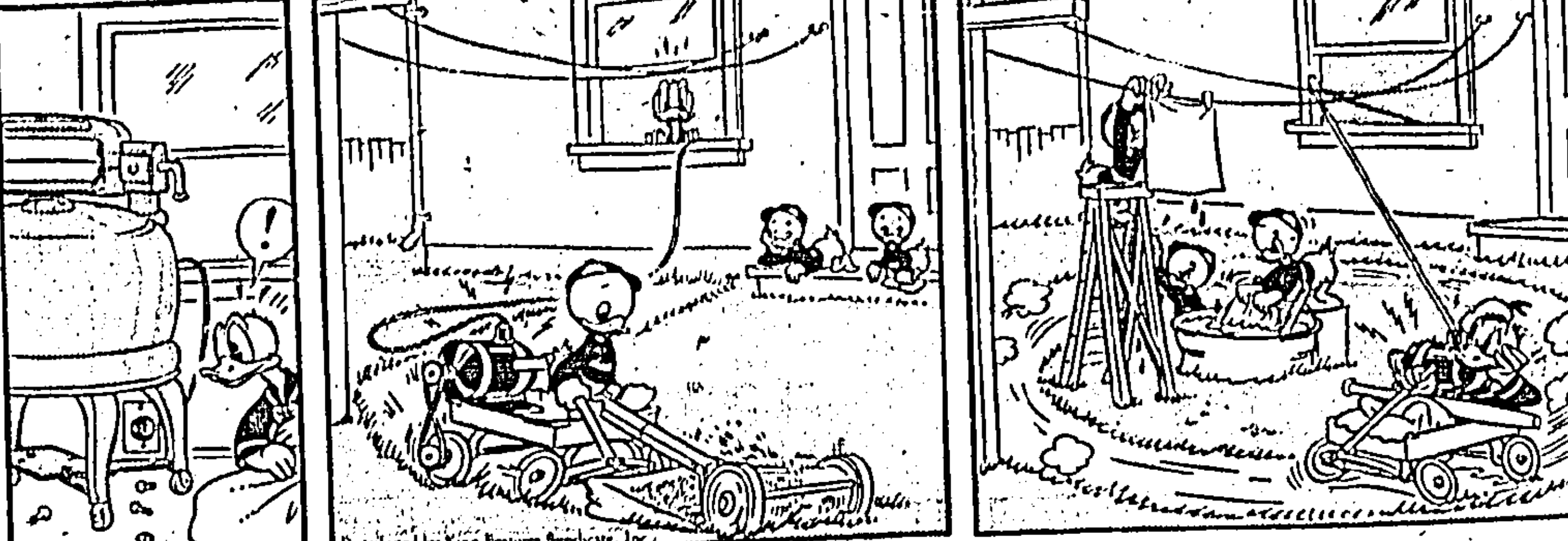
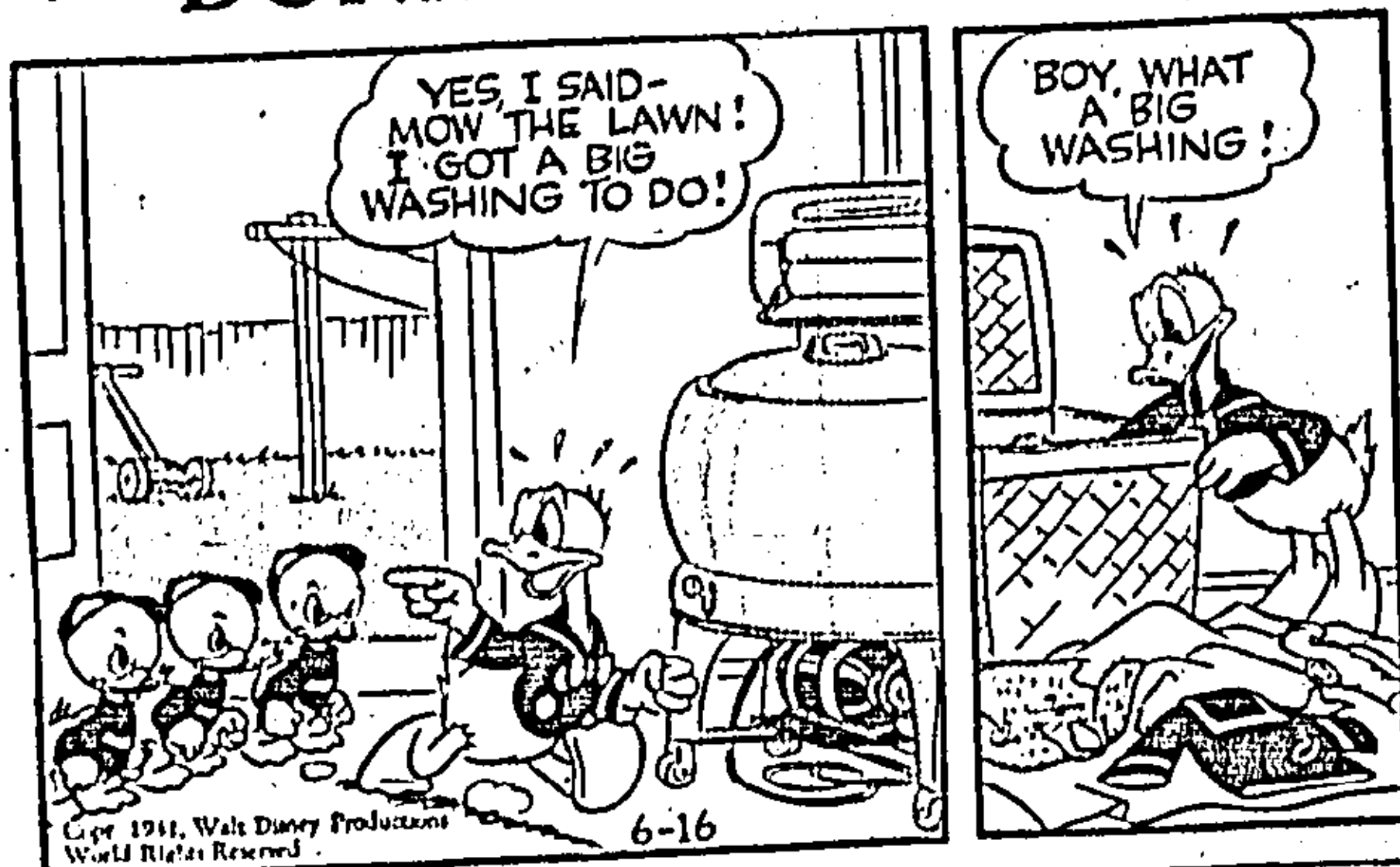
Special to the "Telegraph"

CHUNGKING, July 27 (UP).—The biggest raid on Szechwan this year took place to-day when, it is reported 108 bombers and pursuit planes from Central China swept the heart of Szechwan and bombed a number of cities, including the provincial capital of Chengtu where many establishments are known to be situated.

Chungking had an air raid alarm early in the morning and the "All Clear" was not sounded until nearly six hours later, at 2.15 p.m.

Japanese bombers swept across the edge of Greater Chungking but

DONALD DUCK



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China and Macao
10 cents per copy
British Empire and Foreign
25 cents per copy
The Hongkong Telegraph
China and Macao
16 cents per copy
British and Foreign
20 cents per copy
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The
Hongkong Telegraph
Eleventh Annual
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SECTION TWO
Portraits.

1st KODAK SILVER TROPHY
2nd \$40. 3rd \$30. 4th \$10

SECTION THREE
Plants and Flowers.

1st KODAK SILVER TROPHY
2nd \$50. 3rd \$30. 4th \$10

RULES

- The following Rules will govern the Competition:
- The Competition is open to all photographers.
- The entries awarded the Illford Trophies for the best and second-best pictures in the Competition, will not be entitled to any other prizes.
- The prizes will be awarded to the competitors sending in what are adjudged to be the best photographs in each Section. Each entry must be accompanied by a form which will be published during the period of the Competition, and which must be completed on back of entry.
- The right to publish any or all of the entries reserved to the Hongkong Telegraph.
- All photographs entered must have been taken in the Colony of Hongkong. Photographs which have been already entered in other Competitions are ineligible.
- No responsibility will be accepted for non-delivery of loss of, or damage to entries.
- All entries must be either black and white, or in color, and must be mounted. Coloured photographs are ineligible.
- Pictures submitted in sepia tones should be accompanied by a smaller print in black and white.
- No picture to be entered in more than one Section.
- Mounts to be only white or cream, must be of one of the following sizes: 10x12, 10x20.
- No correspondence will be entered into in connection with the Competition.
- Members of the Staff of the Hongkong Telegraph and South China Morning Post are not permitted to compete.
- The decision of the Judges shall be final.
- At the conclusion of the Competition, entries will be returned to competitors on application at the Telegraph office within seven days.
- The use of aliases is strictly forbidden.

ENTRY FORM

NAME
SECTION
ADDRESS

Please use block letters and print
one of these forms on back
of each entry.

NEW ADVERTISEMENTS.

APPEAL FOR FUNDS FOR ORTHOPAEDIC CENTRES IN FREE CHINA

At the request of Madam H. H. Kung and with the support of His Excellency the Governor and under the auspices of the British Fund for Relief of Distress in South China, an appeal is made for funds for the purpose of establishing and maintaining Orthopaedic Centres for disabled soldiers and civilians in China.

Cheques and donations may be sent to the Hon. Secretary, Mr. M. K. Lo, British Relief Fund for Distress in South China, Alexandra Building, marked Orthopaedic Appeal or to the British Relief Fund for Distress in South China, Hongkong and Shanghai Bank marked Orthopaedic Appeal.

Late Mrs Li Hok-park

Mother of Dr Li Shu-fan
Dies at Advanced Age

The funeral of the late Mrs Li Hok-park, mother of Dr Li Shu-fan (who until recently, was a member of the Legislative Council), was held at the Chinese Christian Cemetery, Pokfulam, yesterday afternoon. The large attendance testified to the esteem in which the late Mrs Li and her family is held. She died on Saturday at her residence, No. 2 Tramway Path.

Mrs Li was 82 years of age, and was the widow of the late Mr Li Hok-park, who for many years was one of the leading Chinese tea and silk merchants in the United States. Mrs Li had been a staunch supporter of the Chinese Christian Church during the greater part of her life. Of a philanthropic nature, she gave generously and widely to various charities, both within and outside the Colony. She was highly respected by all who knew her.

An interesting fact is that Mrs Li was from a family which passed long ago the age of 102 years.

Mrs Li is survived by four sons and two daughters, as well as a number of grand-children.

The sons are Dr Li Shu-fan, J.P., Chairman of Directors of the Hongkong Sanatorium, Church Building, the Wing On Bank Ltd; Dr Li Shu-pui, Honorary Ear, Nose and Throat Specialist to the Hongkong Sanatorium and Hospital, and the Tung Wah Eastern Hospital, and President of the Hongkong University Alumni Association; and Mr Li Shu-tze, manager of the Sun O Mining Syndicate, Kwangsi province.

The daughters are Mrs Liu Wang-hin, of Shanghai, and Mrs Hui Yuen-kwon, of Hongkong.

Messages of condolence were received by the family, including a personal message from His Excellency the Governor, Sir Geoffrey Northcote. The family has decided to devote numerous donations received for the purpose of the relief of disabled Chinese soldiers and civilians in Free China.

It has also been decided to donate a sum of over \$5,000 to the Chinese Congregational Church Building Fund, in memory of the late Mrs Li. A long string of cars and four truck-loads of wreaths followed the hearse containing the remains from the residence to the Cemetery, where a service was held in the Mahanaim Chapel, conducted by the Rev. Yung Granard of the China Congregational Church. He also conducted the service at the graveside.

The chief mourners were Dr and Mrs Li Shu-fan, Mr and Mrs Li Shu-pui, Dr and Mrs Li Shu-pui, Mr Li Shu-tze, Messrs Li Wah-hung and Henry Hui (grand-sons), the Misses Dorothy Li, Maxine Li, Sylvia Hui, Sheila Hui and May Hui (grand-daughters), and Mr Lambert Gock-chin (grandson-in-law).

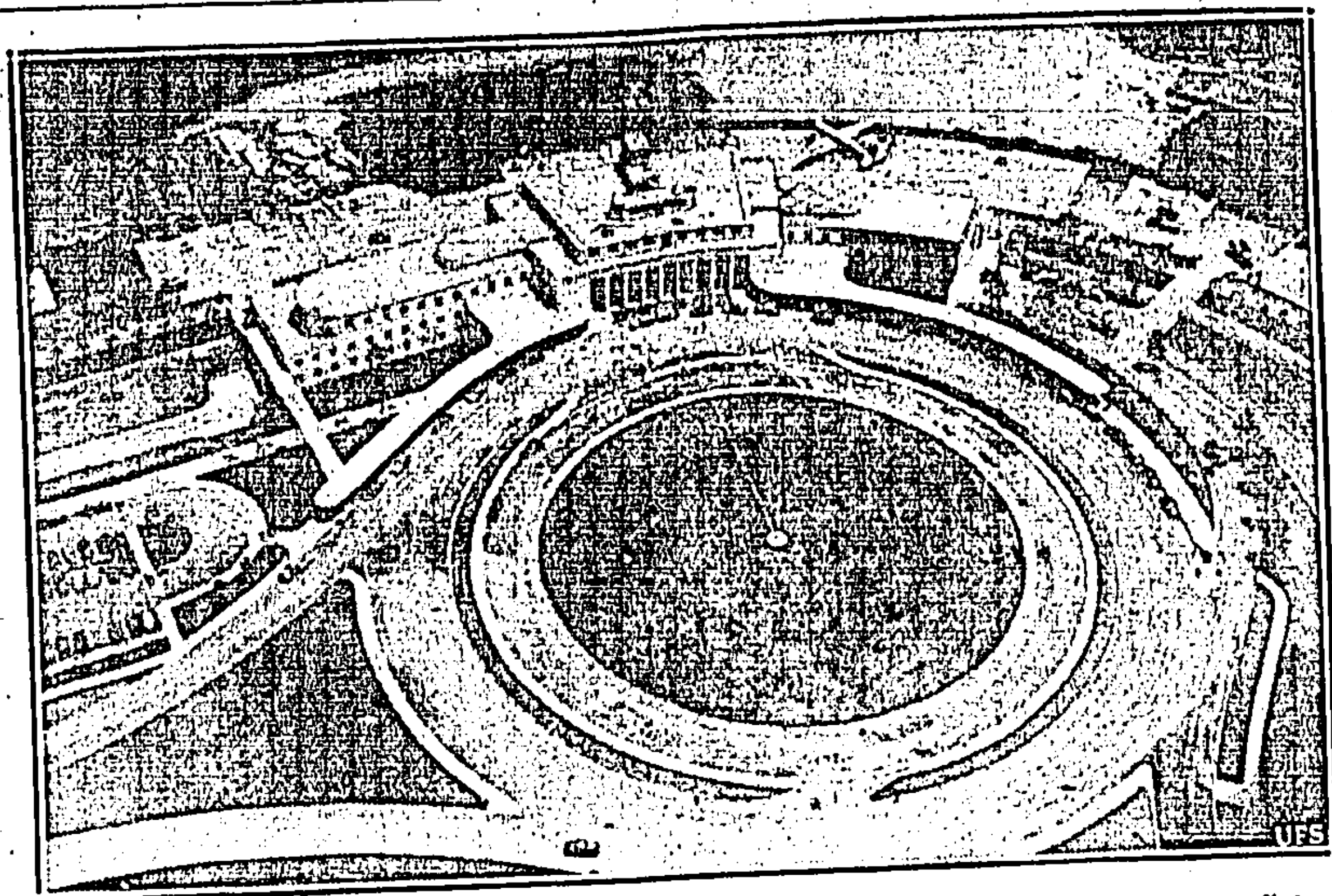
STOCK MARKET REPORT

Hongkong Stock Exchange Official Summary, issued Saturday, is:

Buyers
H.K. Govt 3 1/2% Loan (1934) 94.25
H.K. Govt 3 1/2% Loan (1940) 94.25
Canton Ins \$225
Union Ins \$400
H.K. Fire Ins 105

Sellers
Hotels \$3.50
Trams \$17.50
Electricity "O" X Rts \$22.50
Electricity Rts \$11.25

Losses
Providents \$5.75
Lands \$35.00/35.00
Trams \$17.50
Electricity "O" X Rts \$22.50
Watsons \$10.75



STOP AND GO AT CAPITAL—Here's how new \$16,000,000 airport looks to passengers flying into Washington. New airport, three miles from downtown Washington, covers 700 acres and has four runways, longest 6,855 feet. Airlines have transferred from old inadequate field.

—RADIO—

ZBW, 355 metres (845 k.c.) and 31.49 metres (9,520 kilo-cycles)
Light Variety & Dance Programme

Radio Programme Broadcast by ZBW on a frequency of 845 k.c. and on Short Wave from 1-2.15 and 6.30-11.15 p.m. on 9.52 m.c.s per second.

12.15 A Short Service of Intercession.
12.30 Joe Loss & His Orchestra.
12.50 Turner Layton (Vocal) at the Piano.
1.0 Local Time Signal and Programme Summary.

1.02 Scribble—Prometheus (The Poem of Fire)—Op. 60.
1.03 Leopold Stokowski, Philadelphia Orchestra & chorus from Curtis Institute of Music.
1.20 Songs by Ivar Andersen (Bass).
1.30 The Magic Flute—O Isis and Osiris. Within These Sacred Walls (Mozart).
1.30 Reuter and Rugby Press and Announcements.
1.45 Variety with Wilfred Thomas, Grace Fields & Others.
Vocal—Giddy Up, Swing Your Way To Happiness (Parr-Davies).
Glee—Fiddlers with orchestra; Organ Solo—Maggie Chimes—Intermezzo (F. W. Rust), Whispering of the Flowers (Franz v. Blon), Marcel Palotti with Hawaiian Guitar; Humorous—A Tea-Time Concert Party (C. Harrington), Wilfred Thomas.
Noreena Feist, Emma Joyce, and Cecil Harrington with orch.; Septet—Maurice Azzi, Serge Krish Septet; Vocal—Down At Our Charity Bazaar (Azzi), Grace Fields with orchestra.
2.15 Close Down.
2.0 Indian Programme.
2.45 Closing Local Stock Quotations.
2.47 Compositions of Maurice Ravel.
Tzigane—Rhapsodie De Concert, M. Z. Francescatti (Violin) with M. Faure (Piano); "Miroirs No. 5"—La Valse De Cloches, "Gaspard de la Nuit No. 2"—Le Gibet, "Waltz-Glennings" (Piano); Ravel—Three Songs, Trois beaux oiseaux de Paradis, Nocturne, Rondo, The Lyons Granard Chorus, conducted by Leon Vitelli; Bolero—The Lamoureux Orchestra of Paris cond. by Maurice Ravel.
7.30 Light Opera Selections.
"The Miracle"—Selection (Humperdinck), London Symphony Orchestra; The Chocolate Soldier—Vocal Gems (Singsie & Oscar Strauss), Intro: The Chocolate Soldier, The Bulgarians, Tirlala, Thank The Lord the War is Over, Falling In Love, Forgive (Ensemble), That Would Be Lovely, The Letter Song, My Hero, The Columbia Light Opera Company with orch.; The Beggar's Opera—Selection Band of H.M. Granard Guards cond. by Capt. G. Miller; "Tales of Hoffmann"—The Legend of Klencksack (Offenbach), Tudor Davies (Tenor) with orch.
8.00 London—The News.
8.15 London—War Commentary.
8.25 London—Listening Post.
Examination of Points in Daily German Propaganda.
8.30 Programme Summary.
8.32 The New Mayfair Orchestra with Gertrude Lawrence (Soprano), Polka Medley; Intro: See Me Dance The Polka—Polka Valera, Blaze Away—Two-step, You're Not The Kind I Want, I Want the Whole World to Love You—Waltz, Take my Heart—Slow Fox-trot, Sing, Baby Sing—Quick-step, The New Mayfair Orchestra; Gertrude Lawrence Medley, Intro: Limehouse Blues, You Were Meant For Me, Do, do, do, Someone To Watch Over Me, Cup of Coffee, Wild Thyme, Experiment, G. Lawrence with orchestra; Ragging the Rags—A Selection of Early Ragtime Favorites, Rag Mysterioso Rag, Temperament Rag, Red Pepper Rag, The New Mayfair Orchestra; Experiment (from "Nymph Errand") (Cole Porter), Gertrude Lawrence with orchestra; "Love, Life and Laughter" Selection, Intro: How Happy the Lover, Riding on the Clouds, Cherlie, Love, Life and Laughter, The New Mayfair Orchestra.
9.00 Local Time Signal and Announcements.
9.05 Variety Programme.
Medley—Finch Favorites, No. 12; Intro: The memory of a Rose, Perry boat Serenade, Blueberry Hill, May-be, Lovely Old Lady, Goodnight Again, Horace Finch (Organist); Agate—Birds of a Feather, You're Dangerous (Both from film "Road to Zanzibar"), Bing Crosby with orchestra; Organ & Piano—Old Favorites Medley, Intro: These Foolish Things, Japanese Sandman, Sweet Sue, Smoke Gets in Your Eyes, Louise, Somewhere Stole My Girl, Robinson Crusoe (Organ), Enter-tainer—Dear Old Fashioned Thing, Norman Long with piano; Vocal: The Beautiful Bearded Lady, Don't Go in the Lion's Cage to-night, Zora Layman with the Homelowners and orch.; Piano—Charlie Kunz Piano Medley, No. 14; Intro: I'll Never Make the Same Mistake Again, Lovely Old Lady, Sierra Sue, All the Things You Are, Until You Fall in Love, I'm Nobody's Baby, Charlie Kunz with Rhythm accompaniment; Vocal: Cheerful (from "Apple Sauce"), Carr, Kitchen, Bebe Daniels and Ben Lyon with orchestra; Vocal: La Bonnie (Froebel, Alexander), The Merry Mice with orchestra.
9.45-10.0 News in French (on Short Wave only).
9.45 Piano Duets by Young and Forsythe.
Dance "Hills", Intro: I Double Dare You, Sweet As A Song, Mambo, I Wanna Make Rhythm, Thanks For The Memory, Two Dreams, August, The Memory, Don't Ever Change, Rumba on Toast, Intro: La Cucaracha, Mamma, Inez, The Carica, Siboney, Tony's Wife, Side Waka of Cuba, Green Eyes, When Yuba Plays The Rumba on the Tuba.
10.0 London—The News & News Commentary.
10.15 A Dance Programme.
10.15 London—"News from Home"—H. Marshall.
11.15 Close Down.

SHANGHAI SHIP HELD

Detention by Japanese Explained

Shanghai, July 27.
The following statement was released by the office of the Press Attache of the British Embassy here: "With regard to the various statements appearing in the Press, some of which have been attributed to the Japanese Army spokesman, on the subject of cargo removed from the s.s. Kwangtung and the s.s. Hilda Molter at the instance of the Japanese authorities, the following are the facts of the case.

"As regards the textile machinery purchased by the Netherlands East Indies authorities and removed from the s.s. Kwangtung, nothing is known here of any admission by the Netherlands Government that the fault for the detention of the cargo lies entirely on their shoulders, inasmuch as the cargo had been inspected by the Japanese authorities prior to its being loaded on the British vessel, and it seems extremely unlikely that any such statement would have been made. The cargo in question had been in the process of being loaded when the s.s. Kwangtung, that any objection was raised by the Japanese authorities to its shipment. It was pending the circumstances of the purchase of the cargo by the Netherlands East Indies authorities had been fully explained to the Japanese authorities that the ship was detained and the cargo removed.

"In the case of the s.s. Hilda Molter, exception was taken by the Japanese government to the shipment of miscellaneous cargo to Hongkong, Rangoon and Calcutta, after the cargo had been fully loaded in the ship and had complied with all Customs formalities. The cargo objected to was consigned to a number of Chinese consignees in the port of Hongkong, and it was not until the owners of the vessel were admitted that the cargo was owned by Chung-king or that it ought to be examined by the Japanese authorities. The cargo in question is being discharged by the ship owners at Shanghai and will be detained by them pending a decision as to its future shipment."



Portuguese Lady's Death At Great Age

The death occurred yesterday at her home, No. 5 Austin Avenue, of Mrs. Eugenia Leiria do Rozario, widow of the late Mr. Augusto Rozario, former Consul for Brazil in Hongkong. She was 75 years of age. Hongkong from old Portuguese stock, Mrs. Rozario resided in the Colony for a great many years. Of a kindly disposition, she gave freely to charity, and was well beloved. Her brother was the late Mr. J. J. Leiria, who succeeded Mr. Rozario as Consul for Brazil. The late Mrs. Rozario leaves a daughter, Sister Mary, who is a nun in the Monastery of Corpus Christi at Menlo Park, California. Relatives in the Colony include Mrs. E. Leiria (sister-in-law), Mrs. C. Machado (aunt), Messrs M. A. R. Souza and C. R. Souza (nephews), and Mrs. T. Xavier, her close companion. The funeral will pass the Monastery to-day at 5.30 p.m. It is requested that no flowers be sent.

ENGINEER—Isabelle Suarez, born in Havana, first woman to receive chemical engineer's diploma in 43 years, at Pratt Institute, Brooklyn, N.Y.

DONATIONS TO HOSPITALS

The Bomber Fund

Saturday's donations to the Bomber Fund include a second cheque for \$250 from "Give, Give Again, and then Give some more." The total is now \$2,429,341.93.

Lumiere Evening (twenty-first donation) 25
Messrs Nam Chong Tailor (weekly donation) 20
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Give, Give Again, then give some more (second donation) (weekly donation) 71.30

RELIEF OF DISTRESS

The Hongkong & Shanghai Banking Corporation acknowledges the following contributions to the British Fund for Relief of Distress in China, Hongkong & Shanghai Branch (Orthopaedic Centre in Free China):

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EMERGENCY REFUGEE COUNCIL

The S. C. M. Post has received the following contribution to the Emergency Refugee Council:

Sympathisers (109th Contribution) \$10.

DONATIONS WAITING

Donations for the following Organizations awaiting collection at the office of the S. C. M. Post: Associação Portuguesa de Socorros Mutuos; Lord Mayor's Fund for the Relief of Air Victims; S.P.C.A.; Food Kitchens Fund; New Territories Relief Association; St Vincent & Paul's Salvation Army.

Tobacco Fund

The latest bulletin of the Overseas League acknowledges among contributions to the Tobacco Fund the sum of £10 from members of the Kowloon Cricket Club, making the Club's total contribution (to May 19) £110.

An anonymous correspondent in Hongkong sends £5, presents his compliments and says the amount has accrued through his giving up smoking expensive cigars soon after war broke out.

The Fund provides smokes for the Empire fighting forces. The Overseas Club's address is Overseas House, St James's, London S.W.1.

MRS. MACFADYEN

Funeral Service Yesterday At Catholic Cemetery

The funeral of the late Mrs Irene Mary Ashby Macfadyen took place at the Roman Catholic Cemetery yesterday. The Rt Rev. Bishop H. Valloria was present at the graveside. The funeral service was conducted by Rev. Father A. Rignati assisted by Rev. Fathers C. M. O'Connell, G. M. Spada, A. Grampa, A. Hossello, N. Maestrini, T. Cooney, S.J., P. Joy, S.J., T. Ryan, S.J. The service was choral.

The late Mrs Macfadyen died at the Queen Mary Hospital on Saturday. She was 70 years of age and had been a resident of the Colony for some 13 or 14 years. A skilful artist, Mrs Macfadyen's death will be heavily felt in local art circles. She was the founder and President of the Hongkong Working Artists' Guild and a staunch supporter of the Catholic Youth's Society.

In addition to her husband, Major A. N. Macfadyen, the late Mrs Macfadyen leaves behind a son, Mr Q. A. A. Macfadyen, former Magistrate, and two daughters, with whom much sympathy will be felt.

Among those present at the funeral were Dr G. A. V. Griffith and Mrs Griffith (nee Macfadyen), Prof. L. Forster, Dr L. T. Rids, Messrs J. Caer-Clark, H. G. Carver, F. J. O'Connor, W. J. Dixey, Beal, L. A. Barton, H. A. Samuel, H. Yarrowgsky Erogon, Mr and Mrs E. M. Laufer, Dr J. H. Montgomery, Mrs K. Grant and Mrs R. Grant, Mrs Chow, Mrs E. Freedman, Miss N. Elliott, Miss S. Patuhinsky and others.

It was requested that no flowers be sent.

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POST OFFICE

Air Mail Service by British Overseas Airways Corporation to East and South Africa, United Kingdom and beyond has now been resumed. Correspondence for despatch by air via Rangoon must be superscribed by "C.N.A.C."

The public are reminded that it is a breach of postal regulations to enclose in a postal cover communications intended for persons other than the addressee.

Small Packet Post to all countries is suspended.

INWARD AIR MAILS

Air Mail by "Pan American Airways" Direct Service—San Francisco date, 22nd July. July 29.
Air Mail by "Pan American Airways" Direct Service—San Francisco date, 5th August. Aug. 12.

OUTWARD AIR MAILS

Monday, July 28
Air Mail by Air to Rangoon to connect with the "British Overseas Airways".

K.F.O. and G.P.O.

Reg. July 28, 4 p.m.
Ord. July 28, 4.30 p.m.
Tuesday, July 29

Air Mail for Manila, Guam, Honolulu, U.S.A., and Europe via "Pan American Airways" and Trans-Atlantic Services.

K.F.O.

Reg. July 29, 5.00 p.m.
Ord. July 29, 5.30 p.m.
G.P.O.

Reg. July 29, 5.00 p.m.

Ord. July 29, 7.00 p.m.
Tuesday, August 12

Air Mail for Manila, Guam, Honolulu, U.S.A. and Europe via "Pan American Airways" and Trans-Atlantic Services.

K.F.O.

Reg. Aug. 12, 5 p.m.
Ord. Aug. 12, 5.30 p.m.
G.P.O.

Reg. Aug. 12, 5 p.m.

Ord. Aug. 12, 7 p.m.



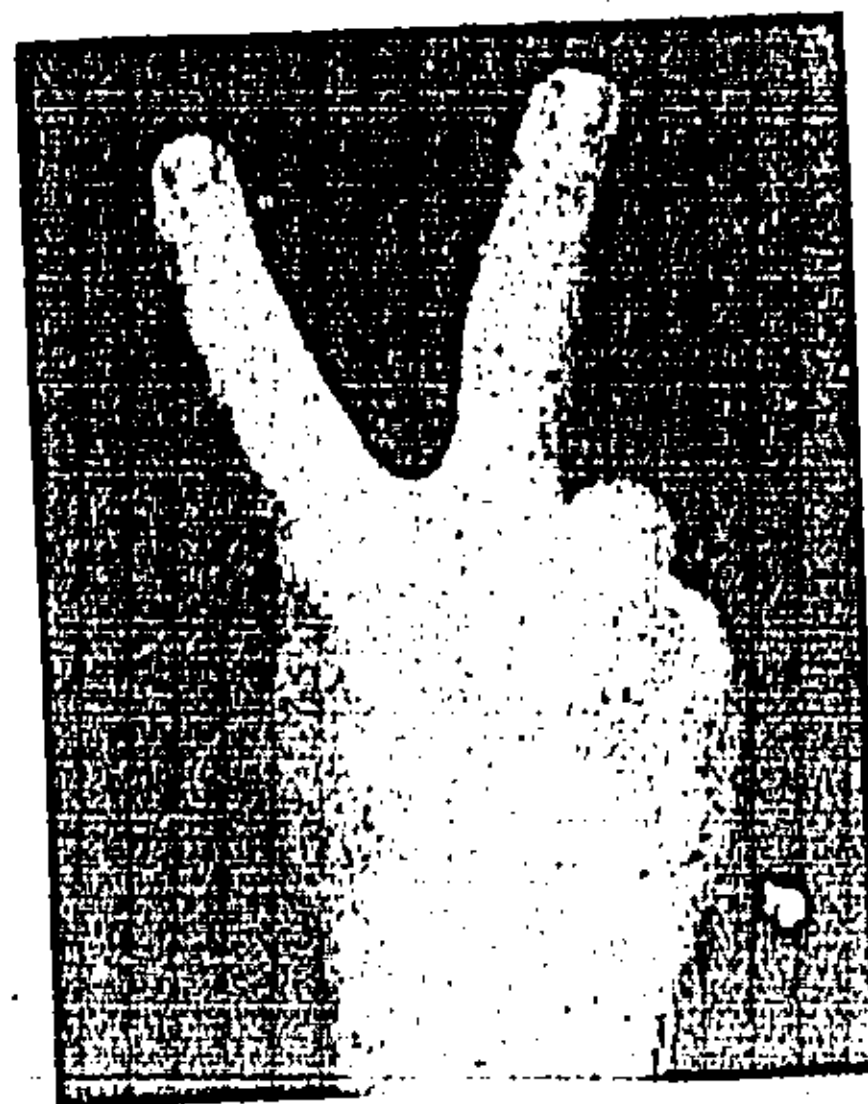
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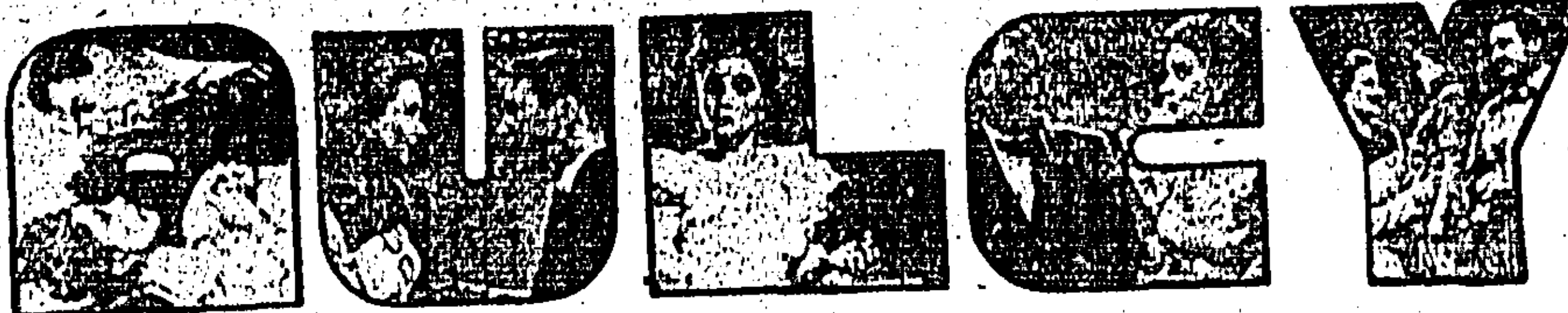
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LET US BE READY

THE time has come when Hongkong must get rid of its casual and sceptical attitude to political and military events in the Far East, and to assess calmly and dispassionately the possible developments of the future and their relation to the Colony. Britain and her Empire, including Hongkong, have, in common with the United States taken steps during the week-end which renounce the previous policy of appeasement vis-a-vis Japan. The meaning behind these actions is clear: Japan must cease her aggressive designs in the Pacific, or take the consequences.

We in Hongkong welcome that decision. Many, in fact, feel that it has been too long delayed. There will be no shrinking from the consequences, whatever they may be. Both the local authorities and the Imperial Government can feel assured that the whole-hearted loyalty and willing support of the community will be given under any circumstances. The general hope, however, will be that the moves made by the United States and the Empire will be sufficient to deter Japan from doing anything that will make it necessary for the present economic sanctions to be implemented by more serious action. Japan has still to make an irrevocable and fatal decision, and there is no reason why the more moderate political influences should not prevail in her councils and a tragedy avoided. The next move belongs to Japan.

In the meantime, Hongkong has her position to consider. From the physical point of view it has long been unenviable, assuming that developments at any time should take a grave turn. But our defences against an invader are good and are aided by strategical advantages. But there are, within the Colony, dangerous elements, made possible very largely through the freedom with which people have been able to move both in and out of the place. Those elements—fifth columnists of the worst type—have shown their hands on more than one occasion lately in a way that suggests they have plenty of confidence in themselves and their organisation. The task of rounding up and eliminating these people is a heavy one, but it has to be tackled, and with all the vigour of the Colony's command. The general public can help a great deal; firstly by enclosing their "muscle" attitude, secondly by keeping their ears and eyes open to subversive words and deeds; thirdly by reporting suspicious persons to the authorities. This is no time for complacency; rather precautions which prove unnecessary than no precautions at all. If, in the final analysis, Hongkong is to be drawn into an armed conflict, let us be as prepared as possible to meet the emergency.



Stepping from her "Maizie" characterisation for the first time in some months, Ann Sothern in her new picture, to be shown in Hongkong to-morrow, is seen as Dulcy, a wealthy girl with a heart of gold and a penchant for getting herself and everyone whom she contacts into trouble. The picture is based on the famous stage comedy of the same name by George S. Kaufman and Marc Connelly; this serial adaptation is by Randall M. White.

CHAPTER FIVE

GLOOM ONE COULD SLICE with a knife was the principal item on the menu for breakfast next morning at the Ward-lodge.

True to his promise of the night before, C. Roger Forbes came downstairs looking for boat and train schedules and ordering his wife and daughter to pack.

Bill and Angela in one combination, and Gordon and his motor in another, were a lot worse off than when they started, as regards Mr Forbes' approval of their cherished plans.

Dulcy ought to have been in complete despair—but she wasn't. Failure was a word she knew little about. That she had no coherent or logical plans to save what seemed to be a hopeless situation didn't mean that something wouldn't "turn up"—it almost generally did, for better or for worse.

Gordon announced his departure for the city as soon as he could locate Sneezey, who seemed to have strayed away somewhere. He told Dulcy he was sure "Forbes would rather fly his planes with rubber bands than with a motor that had his name on it."

BILL, TIRED OF DULCY'S FUMBLING

EFFORTS in his and Angela's behalf, decided to try a plan of his own. He found the girl he was determined to marry alone in the library hiding from her father's latest storm.

"Listen, darling," he said quickly. "This looks like our swan song unless we do something about it. We've got to do it now—this minute—or else!" Reluctantly Angela agreed to brave her father's wrath and elope, within the hour, with the young man of her choice.

"We'll leave your father a note," Bill said. "He'll know

about it before we are married—but he won't be able to do anything about it."

Angela wrote the note. Bill found Dulcy on the terrace. "Where's Henry?" he asked. "I've something important I want him to do for me."

"Henry isn't here," was his sister's entirely non-co-operative answer.

The time was short. Bill hurried Dulcy over to a secluded corner and whispered: "Then I want you to do me a favour."

"No more favour for anyone—I've reformed," was Little Miss Fix-it's sorrowful reply. Bill had heard that before. He sincerely wished it were true—but he was absolutely certain it wasn't.

"See this letter," Bill whispered as he pushed a plainly-addressed envelope into his sister's unwilling hands. "Give it to Mr Forbes—but not one second before he gets on the boat to go to the train!"

"Why... what's in it?" Dulcy asked, hanging back.

"Oh, for the love of Pete, you don't have to know," Bill answered. "But it has some... secret plans for a new kind of amphibian. And, if you value your life, don't you mess up this job!"

Dulcy thought it strange that Brother Bill kissed her hurriedly and said goodbye.

MR FORBES' GRUFFLY REFUSED

the inviting breakfast Dulcy offered to serve him from the buffet on the terrace. He had phoned across the lake for a launch to pick him and his family and he was waiting nervously and impatiently. He weakened, however, when he lifted the cover off a dish of scrambled eggs.

"Sit down, please, and I'll fix some for you right away," said Dulcy. As

she pulled out a chair for the slightly-muddled visitor, she absently-mindedly placed Bill's letter, which she still carried in her hand, on the table. Mr Forbes picked up the letter, boldly and properly addressed to him, before his breakfast was served.

Dulcy had no reasonable argument why he shouldn't read it—and he did. He had surprised Angela with his discovery of her elopement plans and was waiting in her room when Bill came in, bag in hand, ready for the final takeoff.

"Mr Ward," he said angrily. "When I accepted your hospitality this week-end I didn't suspect you'd try to make off with my daughter!"

"Pardon me, sir," replied Bill with equal anger. "You not only suspected it—I think you expected it. But your expectations underwent a change—and I don't say Dulcy can be thanked for giving you that note—and I'm going to see that she gets it!"

It was the mad Van Dyke who dried the tears Dulcy was shedding because of the "bawling out" her brother had given her. He'd been wandering around a bit aimlessly ever since more exciting events had engrossed the attention of his week-end inamorata.

"Now, now," he said. "Don't cry. People just don't understand you. I know how it is—they don't understand me either."

"Gosh! You're the first person that's said a nice word to me today," replied Dulcy gratefully. "Everything's gone wrong!"

"Tell me about it. You can confide in me—I understand each other," urged Van Dyke—and no speech was ever uttered in more comforting tones, for Mr Van Dyke was always courtesy personified.

"Well, it all started over Gordon's motor," Dulcy began. "It's an aeroplane motor—runs on practically anything. I thought Mr Forbes would buy it—but something happened, and now he's not interested."

"Forbes is crazy... just like the rest of them," said Van Dyke with conviction. "Tell me, do you think this motor a good proposition?" "Good! Why, it's worth millions!" Dulcy exclaimed—and her heart was speaking.

Van Dyke was silent for a moment. He gazed thoughtfully over the lake. "You know," he said. "This may have been a lucky week-end for both of us. For some time I have been considering adding large scale aeroplane manufacturing to my other interests. Perhaps the motor is exactly what I need. Would it be possible to look at it?"

GORDON had just finished crating the motor for shipment back to New York when an excited Dulcy and Mr Van Dyke found him in the boathouse. "Gordon, stop! Open the box!" exclaimed Dulcy.

"What for?" asked Gordon dully. "Mr Van Dyke wants to see the motor—to back it!" was the amazing statement he heard.

"As I was telling Miss Ward," Van Dyke broke in, "if the motor is all she claims it is I should be willing to give you a fair option price and make immediate plans for large-scale manufacture."

"What do you mean—a fair option price?" Gordon managed to inquire while slowly recovering from shock.

WHAT HAS GONE BEFORE

Dulcy Ward (Ann Sothern), whose "heart is where her brain should be," is always trying to help people—and messing things up. C. Roger Forbes (Ronald Young) is guest of honour at a house party Dulcy has arranged. Mrs Forbes and Angela (Billie Burke and Lynn Carver) are with him. Dulcy's brother Bill (Dan Dailey, Jr.) can't overcome Forbes' objections to his marrying Angela. Gordon Daly (Ian Hunter), whom Dulcy has met by accident and with whom she has fallen in love, is present at Dulcy's request to try sell an aeroplane motor he has invented to Forbes who owns Forbes Aircraft. A mildly deranged stranger who crashes a plane in the lake near the lodge has joined the party; he represents himself as Schuyler Van Dyke (Reginald Gardner), financier. Forbes is leaving after a series of mishaps which has enraged him. He's seen Gordon's motor (with a vital part missing) and has refused to buy it.

"Oh, er—say ten thousand dollars pending a later contract on a twelve percent royalty basis," continued Van Dyke expansively.

HAD THEY BEEN LESS INTERESTED in the exciting business deal they were consummating the trio in the boathouse might have observed an interesting incident on the dock just outside the door.

A launch pulled up and a man with a travelling case prepared to get out. It was Homer Patterson.

"What makes you so sure I'll find my brother here?" he inquired of the boatman who had brought him.

"You said he was a loony-bug, didn't you?" the countryman returned.

"Well, er—er," Patterson stammered in embarrassment.

"Then, if he ain't at this place I'm gonna be very surprised," was the cryptic response.

"You say the back entrance is this way? I don't want to startle or embarrass anyone," Patterson remarked as he stepped ashore and the boat pulled away.

"Hey! Hey! Come back here!" shouted Mr Forbes as he came running down from the lodge. He was still enraptured—waiting—and he thought the launch was the one he had summoned to rescue him.

The aeroplane manufacturer was the first person Dulcy met when she came out of the boathouse with Gordon and Van Dyke. She'd have shouted her glad tidings to the cook, the gardener, or the stable boy if anyone of them had been the first. "Oh, Mr Forbes! Guess what!" she cried as she grabbed hold of him and blocked his way.

"Please, Miss Ward," he growled. "I'm in no mood for guessing games. Let me through."

"Mr Van Dyke's going to back Gordon's motor," she continued excitedly.

"Yes, sir... here's a check for a sixty-day option," broke in Gordon—who was riding the same high, fast-moving cloud.

The big, shrewd business man's "thinking apparatus did a sudden and complete somersault. He dropped the bag he was carrying, fairly grabbed the check from Gordon's hand, and turned to Van Dyke.

"Have you seen the motor?" he asked incredulously.

"Absolutely!" the pseudo financial and industrial wizard orated with sweeping gestures. "In six months' time your planes will be obsolete. This motor is one of the greatest boons to the present day aeroplane business. I predict, Mr Forbes, that in exactly one year from this very day you will be a broken man!"

Don't miss the final chapter to-morrow.

CONTRACT BRIDGE

By JOSEPHINE CULBERTSON

Skill Takes A Holiday

NO bridge writer likes to publish hands in which vice, in the shape of atrocious bidding, is triumphant. Yet, in the interests of truth and verisimilitude, such cases must be reported from time to time. After all, bridge is not an absolute science; the element of luck is not inconsiderable. Note to-day's hand.

North dealer.
Both sides vulnerable.

North: ♠ A Q 10 8 7 6 5 4 3 2
East: ♠ K 8 7 6 5 4 3 2
South: ♠ A Q J 10 9 8 7 6 5 4 3 2
West: ♠ K 8 7 6 5 4 3 2

The bidding:
North East South West
2NT Pass 8♥ Pass
3NT Pass 4♥ Pass
6♥

This bidding was actually produced in a rubber game by two players whose long experience should make them considerably above average. In this case, however, skill was at a discount and luck at a tremendous premium. The final contract was nothing short of atrocious.

No great fault can be found with the opening two notrump bids, despite the comparative weakness in clubs, nor can the three heart responses be severely censured, although since South obviously intended to bid his hand twice, if necessary, it is strange that he did not first mention his higher ranking major suit, spades.

The first tremendous bit of luck found by the North-South pair was that North's weakness in clubs, happened to match South's void. After all, North never mentioned diamonds, hence from South's point of view, it was more likely that North had greater strength in clubs than in diamonds. Thus when North, having heard his partner's three heart takeout, persisted with three no-

trump, South might well have passed on the assumption that North was counting on a long and solid club suit. As to North's jump to six hearts, in the face of an unknown club situation—well, it is hard to find words for this action!

West opened his singleton diamond—not that any other lead would have changed the result. Dummy won, the heart was cashed, and a low heart was led toward the closed hand. On East's follow-suit play of the heart ten, declarer made the correct guess of ducking. (This was the first hurdle that declarer had to clear in the play. East might easily have held the K-10-2 of hearts and made the same low play on the second lead.) West had to win with his heart king, and no return could defeat the contract. Actually, he shifted to clubs, but declarer ruffed East's ace, drew the last trump, and then took the spade finesse. This also was necessary since declarer could discard only three spades on dummy's diamonds.

I scarcely need say that the defenders felt, and with justification, that they had been abandoned by fate in this deal. First, the bidding had been ridiculous; second, the trumps had to be marvellously for the declarer, and third, the spade finesse had to succeed.

To-morrow's Hand

North dealer.

Rubber bridge.

Neither side vulnerable.

North: ♠ Q 8 4 3 2
East: ♠ A J 10 8 2
South: ♠ A Q 7
West: ♠ A 6 5 4 3 2

How should East-West defend against South's contract of five spades doubled?



"Is that all it says—just that you're graduated? Aren't there any further instructions?"

CHILEAN AND SPANISH RELATIONS

Friendship Not Easy Matter

SANTIAGO, Chile.—Liberal Chile and Nationalist Spain still find it difficult to get along together. It was barely a year ago they had sharp verbal exchanges and a diplomatic break on differences about ambassadorial asylum. A recent interchange of notes in Santiago disclosed that, despite Chile's readiness to put trade before ideology, there has been little progress toward establishment of enduring confidence between the two countries.

Chile has gone far—too far, according to some Government supporters, to appear Madrid and its ambassadorial representative, the Marquis of Luna de Tena, "El Siglo," the daily organ of the Communist Party, which co-operates with President Aguirre, has been closed down. Three Spanish Republican refugees were deported for "abuse of hospitality."

All Chileans and foreigners have been warned against words or acts that may adversely affect relations between the two countries. The reason was given frankly by Interior Minister Arturo Olavarría. Spain is one of the few European countries with which trade is possible on any appreciable scale.

Leftists Disapprove

This attitude goes against the grain of the leftist parties who brought President Aguirre to power. Many of their members opened their homes and their purses to maintain hundreds of Spanish Republican refugees. They praise the ex-representative of the Republican regime who continues to reside in Santiago and frequently join in the denunciations of Generalissimo Francisco Franco and his Nationalist Government.

The Marquis of Luna de Tena feels rather uncomfortable at times—the Aguirre Government, also, for that matter. Judicial proceedings have been instituted against persons whose names were given by the ambassador, but it is difficult to convict under a democratic constitution. The Government emphasizes that it does not identify itself with these private manifestations and wishes only for friendly relations with the Spanish nation and authorities. But, it contends, it cannot go beyond the law in meeting the wishes of friends.

The Marquis' feelings were illustrated in his note to Foreign Minister Luis Alamos and by his handing it to the newspapers for publication before a reply was received. He was convinced of the good will of the authorities but protested against the offences and insults of Spanish Communists, "whose accents betray them on the platform," and of Chilean politicians friendly with them. He asked for "sufficient satisfaction for the injured dignity of Spain."

Contrary To Usage

Foreign Minister Alamos expressed surprise that the ambassador's communication was released to the press before the Chilean Government replied. That was contrary to diplomatic usage, he reminded him.

He repeated that journalistic and platform excesses did not represent the governmental attitude which is based on friendship with Spain. It would, however, be difficult to maintain cordial relationships with foreign governments whose representatives made daily complaints about private manifestations when it received repeated assurances that the Chilean Government was not identified with these.

He recalled to the Ambassador that Chile never protested against Spanish newspaper attacks on this country although, to say the least, the Spanish press was closely controlled by the Government. The "A. B. C." daily of Madrid was mentioned in this connection.

ASPHALTING BURMA ROAD

KUNMING, July 27 (International).—The resurfacing of the Burma Road has begun with 10,000 tons of asphalt from the United States. Many Chinese drivers are being trained in the United States to negotiate this international highway. In about six months the road will achieve full operational efficiency and traffic will run all seasons day and night.

Improvements to the road include the installation of repair workshops, the use of radio-equipped mobile workshops, a relay of relief tory drivers, well stocked gasoline stations and the proper maintenance of traffic.

Afghanistan's Neutrality

PESHAWAR, July 27 (Reuters).—An official announcement, made at Kabul on Saturday, once again declared Afghanistan's neutrality in the present war.

The Government wished that there would be no misapprehension abroad. The declaration said that Afghanistan strictly adhered to her policy of perfect neutrality and maintained extremely cordial relations with the belligerent Powers.

Red Para-Troops Land In Bulgaria

SPECIAL TO THE "TELEGRAPH" ANKARA, July 27 (UP).—It is learned reliably that Russian parachutists landed in the last few days in Bulgaria.

A few were rounded up and killed and the remainder were hidden and protected by peasants.

War Curbs Gambling In Britain

Lack Of Opportunities The Chief Cause

LONDON.—Though Britain spent considerably less on gambling during 1940, according to the seventh Annual Report of the Churches' Committee on Gambling recently issued here, this was due less to a change in outlook by the gamblers than to lack of opportunity because of wartime conditions.

Several protests were made to the Government during the past year, and certain restrictive measures were taken. Reference was made to the resumption of horse-racing, the continuation of greyhound racing, the amount of time, money, and newspaper devoted to football pools, and the growth of night clubs for officers and men on leave from the Services.

One special problem resulting from the war and taken up by the Committee has been the question of gambling in air raid shelters. While admitting that this was confined to small groups, the Report maintains that it was too prevalent to be ignored. Incidentally it is interesting to note that the statement on this question drawn up by the Committee and addressed to church and social workers played a definite part in the movement for improving conditions and introducing a better moral atmosphere into shelters.

The Committee is still able, despite wartime difficulties, to collect facts and figures relating to every form of gambling, and hopes to serve as an international clearing house for data on gambling problems.

CLASH OVER STRAITS OF DOVER

LONDON, July 27 (Reuters).—An air engagement took place over Dover Straits this afternoon.

A British Air Ministry communiqué states: "During an offensive patrol over the Straits of Dover this afternoon, our fighters engaged a formation of enemy fighters. One of the enemy was destroyed and several others were severely damaged but were not seen to crash because of low clouds and darkness. Their destruction cannot be confirmed."

U.S.-Anglo Act Delights Chungking

CHUNGKING, July 27 (Central News).—A Government spokesman today expressed gratification at the prompt and energetic measures taken by the British Government with the support of other members of the British Commonwealth and the Government of India to counter Japan's fresh aggression in Indo-China.

The severance of all trade relations between the British Empire and Japan and the freezing of Japanese assets which followed so closely a similar action taken by the United States' Government, the spokesman said, not only deal the most serious blow to Japan's already weakened financial and economic structure but also demonstrate the ever-increasing solidarity among the Democratic Powers.

China welcomes this strengthening of the anti-aggression front in the Pacific area as elsewhere, the spokesman added.

Canada's Exports Rise Greatly

OTTAWA, July 27 (Reuters).—The rapid increase in Canada's exports of war material and food to Britain and her Allies was emphasized in a statement here by the Canadian Minister of Trade and Commerce, Mr. James A. Macpherson.

Canada's export trade increased by 20 per cent. in June and there was a similar increase for the first six months of the year over the same period last year. Exports to the United Kingdom during the first six months increased by 20 per cent. and to the United States by 33 per cent. Increase to the Straits Settlements was 72 per cent. while to the Netherlands East Indies, exports had been recently doubled. Exports to the Philippines were up by 30 per cent.



The American Red Cross recently sent 3,200 bags of wheat and rice to Hongkong for distribution among war refugees in China. Of this amount, 800 bags were allotted to Kwangtung. Picture shows representatives of various Kwangtung districts with a cargo of grain that was shipped to the interior last week. (Photo: New China Newsphotos).

French Submarines, In Nazi Hands, A Menace To Britain

WASHINGTON.—A huge fleet of submarines which once fought at Great Britain's side might be used against her in the Battle of Atlantic if Germany obtains the collaboration of France to the extent of taking over or winning domination of the French Navy.

The submarines are the most numerous of all the vessels at the disposal of the Vichy Government. Secretary of the Navy Frank Knox told Congress earlier this year that the French had 60 of the undersea craft, 52 destroyers, 14 cruisers, one aircraft carrier and one battleship.

Authoritative quarters here do not believe the Nazis ever would be able to gain control of all these vessels. The aircraft carrier referred to apparently is the Bearn, now stationed at the French island of Martinique in the Caribbean, and the cruiser presumably include the light cruiser Emile Berlin, also at Martinique, and the Jeanne d'Arc at nearby Guadaloupe.

Naval experts take it for granted that neither the United States nor Great Britain would willingly permit these ships to quit their berths in the heart of the Western Hemisphere naval defense area and sail away unchallenged to join the battle against Britain.

In Indo-China

Other units of the French fleet, believed to include destroyers and lesser craft, are known to have been stationed in French Indo-Chinese ports after collapse of the mother country in June last year. Some or all of those may still be there, and it is questionable whether they would join the Axis forces.

Thus, the submarines, virtually all of which are believed based on French Mediterranean and Atlantic ports, might furnish the Germans their most useful additional striking power both because of the number available and because Germany has found the undersea raiders effective against British convoys.

Before the blitz hit France last year, the French Navy rated among those of the world powers. It included three battleships built and other vessels, among them 70 or more submarines.

Portion Immobilized

When the collapse came two developments greatly reduced the fleet's power. First the British disembarked a great portion of the fleet at Alexandria, Egypt, including two battleships, two light cruisers, eight destroyers, some submarines and 200 small vessels. Second, the British fleet blasted powerful units of the French Navy tied up at Oran, French African port on the Mediterranean.

The main forces of the diminished French Navy now are understood to be tied up at Oran, Bizerte, Toulon, and Casablanca, Mediterranean ports, and at Dakar, Atlantic port in French West Africa.

Attitude Of Netherlands Undefined

BATAVIA, July 27 (Reuters).—The Netherlands East Indies are confidently awaiting the decision of the Netherlands Government in London which, it is already semi-officially announced, cannot view the Japanese action in Indo-China with equanimity.

No announcement is yet made to implement any action parallel to the Anglo-American freezing of Japanese credits but business quarters feel that something may be expected.

Pending clarification of the issue, most businessmen are expected to hesitate before entering any new commitments when business opens again to-morrow after the week-end. Although a certain tension here coincides with the black-out which started today, no nervousness whatever can be observed. Certain military preparations are being checked up as usual.

Hope Not Abandoned of Missing Australians

It is still too early to come to any definite conclusion about those members of the A.I.F. who have yet to be accounted for following the withdrawal from Greece, but the fate of at least one battalion commander continues to cause anxiety, though hope has by no means been abandoned, states the Commonwealth official war correspondent in a message from Cairo.

Five Cheat Death In Accident

Make Perilous One-Point Landing

DENVER, June 5 (AP).—A courageous army pilot and his four passengers laughed in the teeth of disaster yesterday "riding out" a huge crippled \$200,000 army bomber in a spectacular one-wheel landing.

Lives of the five men were imperiled after the 200-pound left tire burst during a takeoff at the army air corps technical school at Lowry Field here.

Once aloft, Lieut. Arch Campbell, the pilot, from Fort Worth, Texas, and his four companions shook hands all around. He suggested they might bail out in parachutes. All voted to "ride it out."

Perilous Landing

For an hour and a half with hundreds of officers and soldiers watching from below, Campbell droned back and forth over the field, to lighten the gasoline load and facilitate the perilous one-point landing.

Finally he nosed the ship down, twin motors roaring at 110 miles per hour. As soon as the right tire touched the concrete runway, Campbell cut all switches and threw every ounce of his rugged frame against the right wheel brake. This kept the ship from swerving to the left on the bad tire and somersaulting.

For 500 feet the big plane slid along the concrete, bounding from good tire to bad until finally the right casing also burst. Rubber screamed on the runway, sparks flew from the wheels and smoke plumed from the ripped tires.

A Record Run Of Salmon

Predictions Upset

THE DALLES, Ore.—Upsetting predictions, the United States District Engineer's Office has reported that the spring salmon run over the fish ladders at Bonneville Dam is the largest on record.

Many a commercial fisherman declared four years ago, when Bonneville Dam closed off the open Columbia River run of salmon to their spawning grounds, that the salmon would come back in decreasing numbers each year. During April, figures just released reveal that fish counters at the dam checked 51,501 chinook salmon passing the ladders compared with 37,253 in April of last year. In fact fish of every type have been churning up the swirling waters of the Columbia so fast that checkers have been forced to close their gates for 15 minutes of each hour. Chinook and steel-head salmon, white fish, trout, and so-called sculp fish also over the white flash boards which outline the migrating fish for the Government spotters. This year's spring run began one week earlier than usual.

Since April 18, when his little force had held the bulk of two German divisions at bay over the Penios River for 36 hours, there has been no word of this officer.

A New Zealand battalion had been given the task of holding the German advance through the Penios gorge, but on April 16 it became clear that the enemy masses were too huge for it to have any hope, and two battalions of an Australian brigade were thrown in to delay the German push.

Fierce Fighting

One company, under a Captain Hendry, of New South Wales, was ordered to hold some high ground which dominated the whole area. Captain Hendry's story gives a vivid picture of some of the fiercest fighting of the campaign.

"At dusk on April 17," he said, "we sent out a patrol to the villages where it was suspected that the Germans might be. The huns were whistling like birds to communicate their positions to one another."

"By 11.30 a.m. we had Germans on three sides of us, and our forward patrols reported that the enemy was endeavouring to cross the river directly in front."

"By the end of the day we had inflicted so much punishment on the Germans, particularly with mortars and light machine-guns, that our troops already talked of the engagement as 'The Battle of Blood Valley.' The enemy continued to press on at all points, however, and at 3.30 p.m. I was ordered to withdraw. We fought back in twos and threes. The conduct of my men was marvellous."

"At this time, too, enemy dive-bombing became more intense than ever. They had been at us all day, but had fortunately dropped most of their bombs, on the road behind us. Then there followed a massed tank attack against the remainder of our companies, placed in depth along the main road to Larissa."

Massed Tank Attack

"At least 50 medium tanks attacked, supported by infantry. It was an amazing sight, as the tanks were firing furiously with their two pounder guns, and each shell carried a red tracer. As the tanks drew closer they opened up an intense machine-gun fire, and each bullet carried a coloured tracer, either red, white, or green."

An Australian staff officer said that the fate of the commanding officer and his gallant men was not known as yet. Some of them withdrew to buses, according to plan, others gradually disengaged the enemy and made their way to the coast. "We still hope we shall find him and many of his men," the officer added.

Nazis Give Ship To Chile

The Chilean Government formally announced that it has received the German school sailing ship *Prinwall* as a gift of the German Government. The *Prinwall*, a 3,185-ton four-masted bark, had been at Valparaiso since the start of the war. Chilean naval officers took possession of her on May 15.



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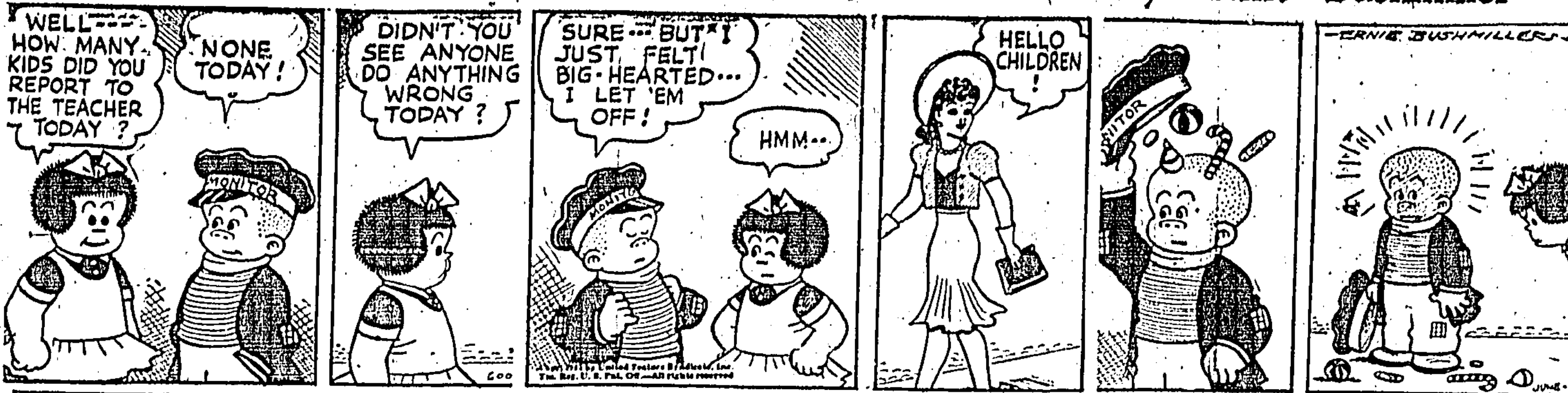
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QUEEN ACCEPTS — Queen Wilhelmina of The Netherlands, exiled in London, accepts from Anthony J. Biddle, U. S. envoy to Nazi-conquered nations, British-American ambulance, it was given by Queen's subjects and friends in U. S.

NANCY



No German Re-Birth After War Defeat, Asserts Bernhard

BOSTON, Mass., June 12.—Prince Bernhard, scion of one of the oldest families in Germany, who became "100 per cent Dutch" when he married the Crown Princess Juliana of the Netherlands, declared here today that the German people have gone so far wrong under the Nazi regime that, in his opinion, it is virtually impossible for the old Germany of culture and learning to be reborn even after the Reich's "defeat."

The Prince Consort, who was the Prince zu Lippe-Biesterfeld before he married the heiress to the Netherlands throne in the pre-war days of 1937, asserted there was nothing but bitterness in his heart for his former Fatherland. He is now an honorary officer in Britain's Royal Air Force and works from morning to night for the Allied cause.

"I don't think there is any chance of the old Germany coming back," he said. "It would take years to get the German people straight."

"They had their chances before Hitler came into power. Since they didn't take them—since they have gone along with what has been done—I think they are going to have to take what is coming to them when Germany is defeated."

Prince Bernhard, who witnessed the destruction of Holland and has seen the worst bombings of London, presented his views on present-day Germany in a talk with a representative of "The New York Times," following a general press interview in which both he and Princess Juliana participated. The interview was in the library of the Brookline home of their hosts, Mr and Mrs T. Jefferson Coolidge, Mr Coolidge, a former Under-Secretary of the Treasury, is a descendant of Thomas Jefferson, and the library contained a glass case of priceless relics of the former President.

At the mass interview the royal couple revealed themselves as attractive young people. From their manner together they could have passed for a pair of young suburbanites from anywhere. The Prince was confident and talkative and the Princess was shy almost to the point of self-effacement. He sat behind his wife, whom he calls "Julia," and she, deferentially, let him answer most of the questions.

Praises British Poorer Classes

At the interview the Prince voiced unstinted praise of the manner in which England's poorer classes are enduring their ordeal. He also spoke glowingly of his mother-in-law, Queen Wilhelmina, who, he reported, is in excellent health and "is setting an inspiring example for every one of us on how to work." He gave detailed information on his "Free Dutch," though few in number, are fighting at the sides of their British allies on land, sea and in the air.

The 30-year-old Prince Consort, who had been an officer in Hitler's black-coated Schutzstaffel before his marriage to Princess Juliana (and a thorough-going anti-Nazi ever since), said it was an American-made Hudson bomber that brought him from England.

Prince Bernhard's first tribute was to the English people. He said that "everything you read of their courage is true."

"In the days of the terrible September raids the government gave £50,000 and a large quantity of clothing for relief of the poor people of East End," he related. "I was there five times a day in connection with the distribution. I'd try to comfort them and they'd say: 'We're quite all right—do tell us how are your wife and children?'"

Crown Princess Juliana, sitting near by while her husband talked, broke in: "Is it true, the more they get it, the greater their morale?"

Quote true, the Prince answered.

"Bombed-out people—you'd think they would be in utter despair—would say: 'Don't worry—the Germans will get it all back.' And I've seen Winston Churchill carried on the shoulders of people who shouted: 'Hoory!' I've never heard of Mr Hitler visiting any of his bombed areas—there must be a reason!"

Dutch Legion Growing

Of Holland's contributions to the Allied war effort—he did not touch upon the defection of the Netherlands Indies—Prince Bernhard disclosed that a legion of escaped Hollanders is growing daily, and that it soon will reach brigade strength of 3,000 fully equipped men. Formation of a second brigade then will be started, he said.

The Dutch merchant marine—exclusive of submarines, torpedo boats, mine-sweepers and other craft engaged in active war patrol—is performing a "tremendous service," Prince Bernhard, who is chief liaison officer between the British and Dutch forces, said.

"I can't tell you how many ships we have because it changes so," he related. "We lost three ships in the evacuation of Greece, but then we plucked up German ships, and a couple of French ones, and we are building new ones, too."

He told proudly of an incident involving the captain of a Dutch tanker who, spotting the periscope of a submarine engaged against another ship, was able to manoeuvre his vessel so it rammed the U-boat. "The tanker took a few prisoners," he said. "This"—and here the Prince spoke with scorn in his voice—"is in contrast with the usual practice of German submarines which, with very few exceptions, come after torpedoing a boat and begin machine-gunning the survivors."

Using U. S. Planes

Netherlands also have an air squadron of twenty-four first-line American Hudson bombers and are forming another squadron, the Prince said. He has created the Prince Bernhard fund which, through contributions from the East and West Indies, has collected one and one-half million pounds, out of which twenty-five Hudsons and eighty to ninety Spitfires have been purchased.

"The bombers have been given the names of Rotterdam and other ruined Dutch cities," he said.

Prince Bernhard said he would like to emphasize the reason for Princess Juliana's residence in Canada, which has been the target for Nazi gibes.

"It is because of the children," he said. "Otherwise she would be in England with us."

After the interview the Prince apparently was concerned a bit about the answer he had given to the question regarding his sentiments toward his German Fatherland, and he asked Er Alexander Loudon, the Netherlands Minister to Washington, what he thought of the statement.

"If Your Highness pleases," Dr Loudon said, "the answer is: 'I am 100 per cent Dutch now.' And, if you will permit me to enter for a moment, my comment is: 'We are very happy and proud to have you!'"

"Thank you!" Prince Bernhard exclaimed, reaching out and shaking the Minister's hand.

At the general press interview Dr Loudon, who is Princess Juliana's journalistic chaperon on her visits

to this country, prefaced the proceedings with a warning that she is "not allowed to answer any political questions."

Some one asked if the young royal princesses would be educated on this continent when they were older and Prince Bernhard took a hand.

"By the time the children are ready for a 'nursery school,'" the Prince-father said firmly, "we will have to be back home in Holland—with the war won, too. Won by us, what's more."

No Negotiated Peace

The Prince wore a white carnation in his lapel. It is his favourite flower (and he later related how touched he was when loyal Hollanders set off Nazi riots in occupied Netherlands by wearing white carnations on his birthday last June 29). He touched this flower as he spoke of possibilities of the sudden collapse of the present war.

"You mean a negotiated peace?" a woman reporter asked.

"Oh, good Lord, no!" the Prince exclaimed.

Some one asked the Princess what she has seen in America that she would like to establish in Holland when she goes home. She flushed and started saying, "Oh, there are many things I admire very much"—but the motor-minded Prince broke in and said, "I know one thing—your traffic system." So the question, in so far as addressed to the Princess, went unanswered.

A question was addressed to the royal couple on how long they thought it would take to rebuild Holland after the war.

"Practically impossible to say," Prince Bernhard declared. "We have no definite information on how much has been stolen."

"Every month the war lasts," Juliana observed, looking up from the floor, "the damage gets bigger."

Scientific Secrets Rescued

LONDON.—Rescuing valuable scientific secrets from under the noses of invading Germans provided exciting episodes in the life of the Earl of Suffolk, killed in an enemy air raid on London.

A laconic official report, now in the hands of government authorities, tells stories rivaling the adventures of the "Scarlet Pimpernel," and supplies important scientific information.

Lord Suffolk was appointed to the ministry of supply's scientific department in France when war broke out and held that post until the collapse of France.

Vital Chemical

A close friend said: "When the Germans went into Norway he knew a vital chemical was in danger of falling into their hands. He set off to rescue it. Until the report of his amazing journey through territory already partly occupied by the enemy is published after the war, nobody can realise the risks he ran or the adventures he had."

The friend added that the scientific peer also saved "a consignment of another secret chemical and a bagful of diamonds from Paris more or less under the noses of the invaders."



YOUNG CHINA — This is type of Chinese Boy Scout, who pledges allegiance to New China, of which he is important part, whose education will be fostered by United China Relief funds. Campaign aims to raise \$5,000,000 in U. S.

Scientists Work For Defeat Of Hitler

A thousand scientists in Britain, between 100 and 200 in Canada, and hundreds more in the United States have "declared war" on Hitler and are working co-operatively, and at top speed, to turn out new and more deadly weapons and machines of war.

In Britain and Canada, hundreds of these scientists have joined the active services and wear the uniforms of the navy, army and air force. But hundreds more are civilians, working in research laboratories scattered throughout the British Isles.

This work by the scientists of three great nations requires the strictest supervision and co-ordination, to prevent wasteful duplication of effort.

The man who has been the co-ordinator or liaison officer as he calls himself, for the past two months is Sir H. Lawrence Bragg.

Undisputed Superiority

"My department, attached to the British ministry of supply, acts as a connecting link between the scientists of Britain, Canada and the United States," Sir Lawrence said during an interview.

Sir Lawrence intimated that the scientists of the three nations are seeking new war weapons which will eventually give them undisputed superiority over the Axis powers.

But he refused to discuss the nature of any discoveries already made or pending.

Sir Lawrence is an able scientist in his own right, and in 1915 he won the Nobel prize in physics for his work with X-rays. He was born in Australia but has lived most of his life in England.

Tallulah Divorced

RENO, Nevada, June 14.—Tallulah Bankhead, stage and screen star, has divorced John R. Emery for "cruelty, entirely mental in character."

Crossword Puzzle

By LARS MORRIS

ANSWER TO PREVIOUS PUZZLE

ACROSS
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2—Front of chest
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Quitters of Mayfair Left Their Mansions to Burn

LORD EBBISHAM, who has remained in London with his family through the blitz time, wants the Government to do something about his Mayfair neighbours who have run away, leaving others to protect their mansions from fire.

Lord Ebbisham lives in Upper Brook-street, W. He takes turns with his household staff in fire-watching.

All around him abandoned houses are bolted and barred. All around him on the night of the big West End blitz there were fires, some of which, he says, could have been checked.

"Firemen had to break down doors to get at many of the incendiaries that fell," he said. "Keys should have been available."

Give Wardens Keys

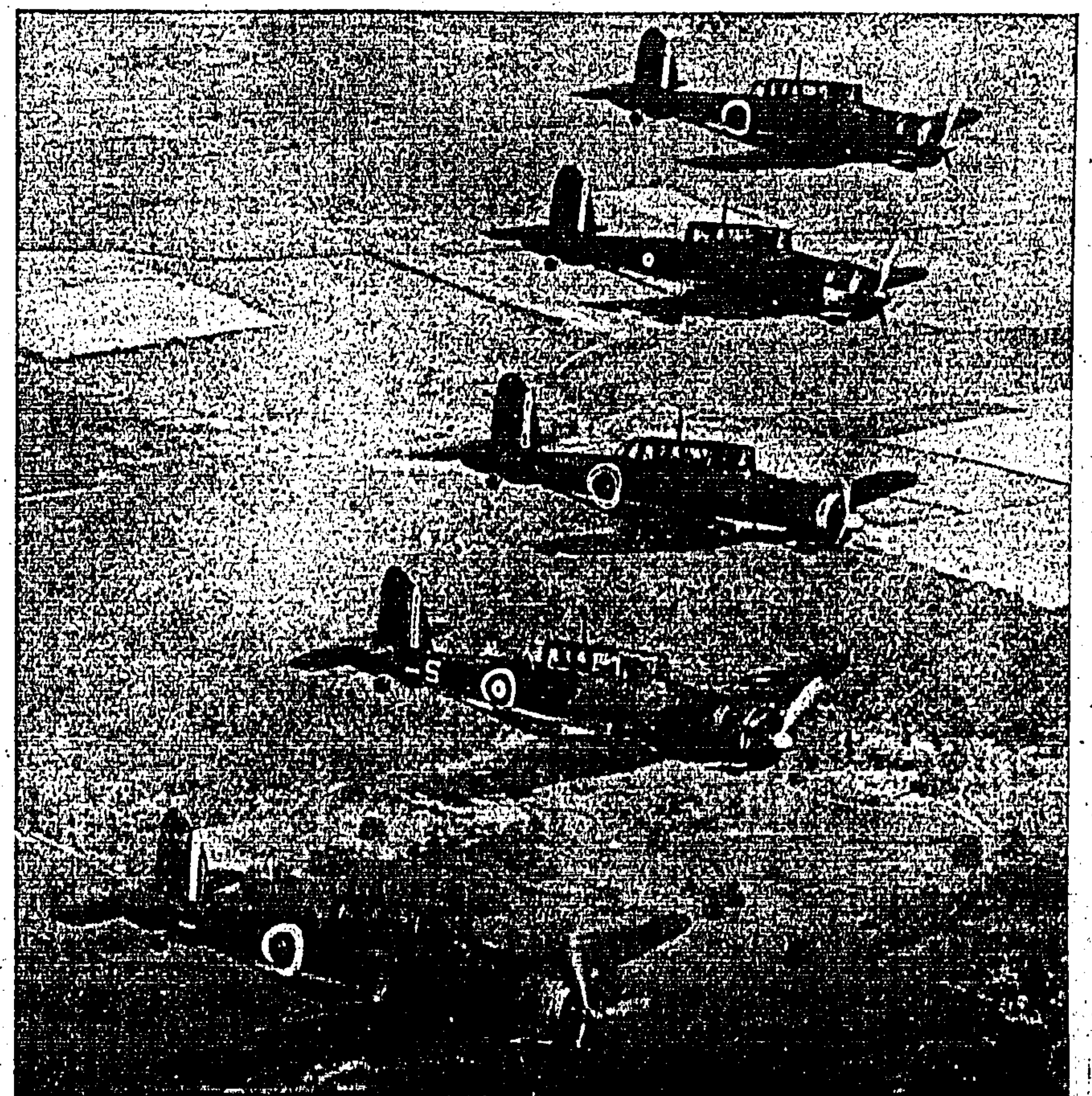
The Government should make it compulsory for owners of unoccupied houses to leave their keys with A.R.P. headquarters or the police. And if they go to safer places they

should arrange some form of fire-watching. Westminster City Council, A.R.P. authority for Mayfair, said they were arranging to obtain keys of as many empty houses as possible and were satisfied with the progress of their scheme for "group" fire-watching of occupied and unoccupied houses.

The Ministry of Home Security said: "It has been found that the quickest way to tackle a fire in an empty house is to break in. We encourage people to leave keys with their neighbours, but we cannot compel these precautions."

"Suppose an empty house was burgled. The warden who had the key might find himself in a most embarrassing position."

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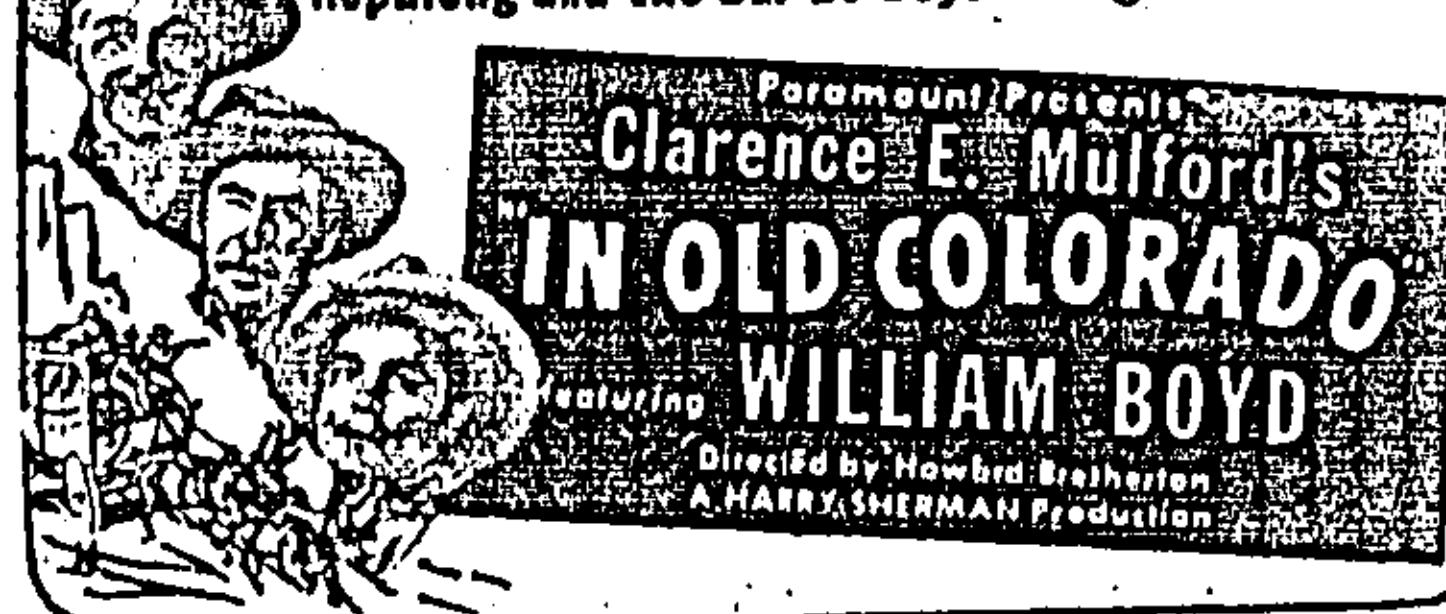
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TRY OUR POPULAR \$1.00 TIFFINS

Served in the Snack Bar

Stirring Words of Hope For Britain

FROM PAGE ONE

are oil tankers, have been transferred
to Britain. The greatest merchant
ship-building programme ever under-
taken is in progress. Riveting never
stops night and day.

"We can promise that there will be
ships to carry food, oil and ammu-
nition."

"To-day American-made tanks are
caterpillaring over the sands of the
eastern deserts. To-day every kind
of American-made aeroplane are
roaring into combat wherever the
Luftwaffe shows fight. To-day
British factories are in full produc-
tion using machine tools made in
America."

A Modest Part

"Yet we realise that our part to-
day has not been great. Our contri-
bution has been but a modest part in
your great war effort. The blood,
sweat and tears have been yours
—not ours. We realise this. This
is a reason for our apparent slowness.
The factories reared to peace-time
production had to be converted
overnight. It took time to realise
that the war might be decided in the
factories of Detroit and Los Angeles,
in Pittsburgh steel mills, in
Pennsylvania mines. That is
realised to-day. American industry
now joins hands with the men who
work for Beaverbrook and Bevin in
forgetting disputes, in limiting holi-
days, in sacrificing all for a common
victory."

"I am not talking of the distant
future nor of estimates based on
speculation. The ships now being
built in America were only paper
pictures on blueprints a few months
ago. Now they are translated into
wood and steel. Soon they will be
aloft, strengthening the supply line
between Britain and America."

Food Promised

"We have not neglected the ques-
tion of food. America will never
allow the British people to go hungry.
America has decided to decrease the
consumption of food and to increase
production. During the next twelve
months huge quantities of cheese,
pork, eggs, canned salmon, raisins,
evaporated milk and concentrated
fruit juices will arrive here."

"Thousands of miscellaneous
articles important to the war effort
are also on their way, from aviation
petrol to road-building machinery,
chemicals of all kinds and metals.
These are coming in increasing
volume."

"The Lend Lease Bill has
given the President specific authority
to foster this great programme of
production and delivery."

China and Russia

"Nor do we forget to look towards
the east where China is battling
valiantly against the forces menacing
democracy. Neither are we forget-
ful of the magnificent fight the Rus-
sians are putting up in defence of
their homeland. We Americans are
determined to give China and Russia
all possible aid—and immediately."

Mr Churchill asked us for the
tools; I promise you that they are
coming, that an endless assembly belt
stretches from our western coast to
Britain and to the Middle East and
nothing will be allowed to interfere
with the full efficiency of this supply
line."

Mr Roosevelt promised that he will
take steps to ensure the delivery of
goods consigned to Britain. Mr
Roosevelt does not give his word
lightly.

"People of Britain—people of the
British Commonwealth—you are not
fighting alone."

Italians In Asmara

FROM PAGE ONE

East. In addition to finding em-
ployment wherever possible, the
British are supporting women and
children with regular allowances.

Good relations exist between the
Italians and British, South African
and Indian troops now being garri-
soned in the country. The feeling of
irritation against the Italian leaders
never varies.

Eritrean sea, rail and road routes
are being opened by the authorities.
The railway from the Red Sea port
of Massawa, which may yet form a
valuable link with Sudan, was
fortunately little damaged and its
cheap transport will reduce the cost
of living.

Eritrea has been the testing ground
of what Britain can do in adminis-
tering and feeding occupied territory.
Doubtless the experience gained here
will be invaluable later in the harder
post-war task of feeding Europe's
millions.

British Nationals Not To Evacuate Shanghai

CHUNGKING, July 27 (Central
News).—Reports that British
nationals in Shanghai are preparing
to evacuate the city are denied by
responsible British quarters there,
according to a dispatch received
here.

These quarters, the dispatch says,
characterise the reports as malicious
propaganda and believe that Shang-
hai as a metropolis of international
character will not be affected despite
the present changes in the world
situation.

Chinese Reds To Support Russia

CHUNGKING, July 27 (UP).—
The Chinese Communist Party has
issued a proclamation here that
Japan is concentrating ships in the
Pacific to transfer some of the troops
from China to Manchuria prepara-
tory to an attack on Russia.

Therefore, says the proclamation,
the Chinese Communists must engage
Japanese troops in China at all costs
and must join Russia to fight the
Japanese on a common front.



CHIEF JUSTICE—Harlan Fiske Stone, former dean of Columbia
law school and native of Chesterfield, N. H., nominated by
President Roosevelt to succeed Charles Evans Hughes as Chief
Justice of U. S. Supreme Court. He is 68.

Braille Typewriter With 63 Keys Is Invented

SYDNEY, New South Wales.—A Braille typewriter with
63 keys and capable of rapid reproduction of Braille charac-
ters, has been invented by Clifford H. Gittens, an independent
inventor of this city.

The machine differs from the
ordinary Braille typewriter now in
general use in that a key is provided
for each character of Braille. The
ordinary Braille typewriter consists
of six keys, of which various num-
bers must be punched simultaneously
to construct a given character.

The Gittens machine can also be
fitted with Braille keys for use by
the blind themselves. It is power-
driven from an electric light socket.
Mr Gittens has also invented a
stereo machine which stamps Braille
characters into zinc sheets from
which many copies of each page can
be printed on Braille paper. With
the Gittens typewriter and a few
workers a large volume of books and
magazines can be turned out for use
of the blind.

Six Months' Experiment

Mr Gittens began work on his
Braille typewriter at the suggestion
of David Hunter, former blind secre-
tary for the United Australia Party
and at present a member of the New
South Wales legislative Assembly.

After six months of experimenta-
tion, the first machine was completed
and sent to David Hunter. The
second machine was purchased by
the Blind Institution where it has
been put to a score of uses. Notices
can be posted to be read by the chil-
dren, examination questions can be
written out for each child, stories
and poems, not already in the Braille
library, can be prepared by teachers.

The stereo Braille machine was a
heavier development of the type-
writer. As the touch of both ma-
chines is electrically stabilised, heavy
Braille paper, or zinc plates can be
"written" as easily as writing on fine
paper.

LATE NEWS

Agitation For Indian Independence

POONA, July 27 (Reuter).—The
Indian Non-Party Leaders' conference
passed a resolution demanding a com-
plete reconstruction of the Viceroy's
Executive Council and urging a de-
claration specifying a time limit in
which a new constitution for India
will be inaugurated, according to
the same status as Great Britain and
the Dominions.

INDIAN V.C. ON LEAVE

BOMBAY, July 27 (Reuter).—
Second Lieutenant P. S. Bhagat, the
first Indian V.C. of the present war,
has arrived in India on two months'
leave.

Looking extremely fit, Bhagat re-
fused to say anything about himself
but was full of praise of the part
played by Indian troops in East
Africa.

Broadcasting from the Bombay
station of the All-India Radio, he
spoke highly of the work of Indian
sappers at Keran, Telesian, Massawa
and Amba Alagi.

Wearing a miniature V.C. attached
to the dark red ribbon now, Bhagat
will receive the Cross from the
King-Emperor.

Suicide Of Exiles

SPECIAL TO THE "TELEGRAPH"
LISBON, July 27 (UP).—It is
learned reliably that there have
been at least seven suicides
among expatriated Consular
officials and families.

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FINAL SHOWINGS TO-DAY



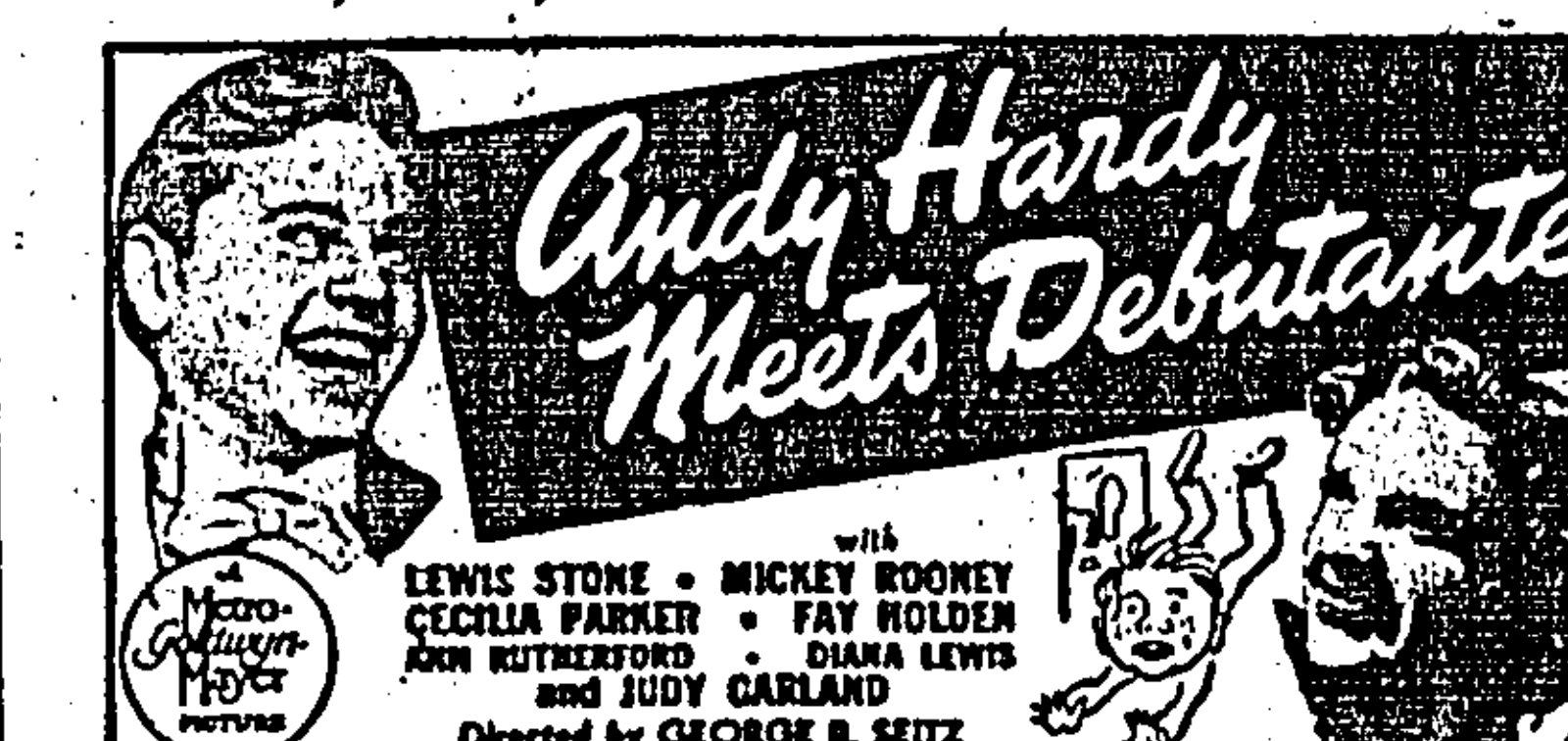
TO-MORROW Ann Sothern - Ian Hunter - Roland Young
An M-G-M Comedy in "DULCY"

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2.30, 5.20, 7.20 & 9.20 P.M.

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CARY GRANT
CLAUD RAINS
"LAST OUTPOST"
A Paramount Picture

TO - MORROW
CONSTANCE BENNETT
ROLAND YOUNG
"TOPPER TAKES
A TRIP"

SHOWING TO-DAY
Mickey and Judy... together again... in gay New
York! Mickey woo woos! Judy sings! The
Hardy family's adventures are merrily exciting!



ALSO: "Goldilocks & the 3 Bears"—Colour Cartoon

NEXT CHANGE: "TWO GIRLS ON BROADWAY"
Lana Turner - Joan Blondell

LEE THEATRE

DAILY AT 2.30, 5.15, 7.20 & 9.30 P.M.

COMMENCING TO-DAY BOOKING AT WHITEWAYS

They LOOKED alike—but didn't make LOVE alike!



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Mild, Medium, 4 oz. - \$1.60
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JAPANESE LANDINGS AT CAMBODIA PORTS REPORTED UNDER WAY

SPECIAL TO THE "TELEGRAPH"

SAIGON, JULY 27 (UP).—IT IS UNCONFIRMEDLY REPORTED THAT JAPANESE TROOPS HAVE STARTED TO DISEMBARK AT UNDESIGNATED CAMBODIA PORTS THIS EVENING. MEMBERS OF THE JAPANESE MISSION WHEN QUESTIONED ABOUT THE REPORT REPLIED, "WE DON'T KNOW."

SEVERAL JAPANESE MILITARY TRUCKS, DRIVEN FROM HANOI, RUMBLED THROUGH THE STREETS OF SAIGON TO-DAY HERALDING THE JAPANESE OCCUPATION WHICH IS EXPECTED TO BE IN FULL SWING BY TUESDAY. THE CITY IS QUIET AND THE CINEMAS AND CAFES ARE CROWDED WITH NORMAL WEEK-END THROGS.

Official Story Of Annihilation Of Nazi Forces

MOSCOW, July 27 (Reuter).—The following communique was issued by the Russians to-night: "Our troops fought to-day in Nevel, Smolensk and Zhitomir directions. There were no important engagements in other sectors."

"During Saturday 104 German aircraft were destroyed for the loss of 12 Soviet machines."

Soviet Front Latest INTENSIVE FIGHTING Another Raid On Moscow

SPECIAL TO THE "TELEGRAPH"

MOSCOW, July 27 (UP).—A Soviet communique on the night of July 27 says: "Our troops continued their intensive fighting in the Smolensk and Zhitomir directions. In other directions and sections there have been no important engagements."

"Our aviation raided enemy motorised and mechanised troops and aerodromes."

"Fifth Raid on Moscow"

SPECIAL TO THE "TELEGRAPH"

MOSCOW, July 27 (UP).—The fifth German raid on Moscow, took place last night. The alarm was given at 11.55 p.m. and the "all clear" signal was sounded at 3.30 a.m.

Several waves totalling 100 planes attempted a mass raid. However, according to the "Tass" agency, not more than seven planes penetrated the defence ring and of these six were shot down.

Explosive and incendiary bombs caused casualties and fires.

"Hiller's Communique"

SPECIAL TO THE "TELEGRAPH"

BERLIN, July 27 (UP).—The Fuehrer's Headquarters has issued a communique stating that operations are continuing successfully on the entire eastern front and that Moscow was successfully bombed last night.

AIR LOSSES COMPARED

FIGURES FOR WEEK

LONDON, July 27 (British Wire).—Satisfaction is expressed here that while the R.A.F. offensive over Europe is growing in ever-increasing violence, figures for last week show that the Nazis lost the same number of machines as the R.A.F.—64.

The result is all the more surprising when it is recalled that German A.A. efforts to protect the Scharnhorst and Gneisenau were on a very large scale and that the R.A.F. attacks were carried out on these warships in daylight.

Comparative totals for the week ending at dawn on July 27 are 55 enemy machines against 75 of the R.A.F. Five German machines were destroyed over Britain and its coasts against one of the R.A.F.

"Middle East"

In the Middle East, there were 13 Axis losses against four British with one pilot safe, while the Navy has

FRANCO-JAPANESE TREATY

TOKYO, July 27 (Reuter).—

The Franco-Japanese agreement for the "joint defence" of French Indo-China will be discussed at a committee meeting of the Privy Council on Monday.

It is expected that the agreement will be ratified during Monday afternoon at a meeting to be held in the presence of the Emperor.

Nazis Encircled

Giving details of the annihilation of a German Infantry division, the Soviet communique states:

"One of the Fascist divisions newly arrived on the front launched an offensive against our troops. The commander of our formation decided to hold this division and to encircle it in order to wipe it out completely."

"At the end of the first day, the Germans no longer offered resistance to the energetic attack of our troops; they were compelled to adopt defensive tactics and to dig themselves in. At that moment, tanks and mechanised infantry completed the encirclement of the enemy."

Bombs On Trap

"Early in the morning, squadrons of Soviet bombers flew over the German division. Hundreds of bombs were dropped on the Fascists. The enemy brought their artillery into action, employing anti-tank and other guns and made a desperate attempt to break through the encirclement, but everywhere encountered artillery and machine-gun fire."

"Our anti-tank guns destroyed 20 German tanks and light armoured cars."

"Several frontal attacks were launched by the Germans in an attempt to save the division from its inevitable fate, but all were repulsed with enormous losses to the enemy. The fire and resistance of our troops was unrelenting."

TURN to Back Page, Column 5

Approximately 100 members of the Japanese Mission have taken up residence at the Continental Hotel. They are in uniform wearing the Rising Sun brassards.

Thongs of curious Annamites, French and Chinese remained outside of the hotel all day.

The Japanese immediately started on shopping tours—apparently all photographers were virtually cleaned out of all good cameras.

The suspension of the Dutch air service, between Saigon, Singapore and Batavia has further cut off Indo-China from the rest of the world.

Commenting on the present position, the head of the naval section of the Japanese Mission told the "United Press," Troops and sailors coming to south Indo-China are the best disciplined men and no incidents with the Chinese or French are anticipated. We do not wish to treat the Chinese badly here providing they are willing to co-operate. On the contrary we will help them wherever possible."

Asked why the Chinese Chamber of Commerce building had been selected as the Japanese headquarters, the spokesman replied that the Japanese needed large buildings and the occupation of the Chinese Chamber of Commerce building complied with the agreement.

Mission To Settle Incidents

Questioned as to who would settle incidents likely to arise between the Chinese, French and Japanese forces, the spokesman said that the Mission would do that.

Asked if Japanese officers were apprehensive of incidents being likely, the spokesman said they were not very likely because the Japanese forces coming to Saigon would co-operate with the French against aggression."

He denied that the Japanese occupation forces would attempt to force merchants to accept yen and that "in accordance with Japan's agreement with the French, the Japanese forces will be paid in piastres."

Japanese Trust

TOKYO, July 27 (Reuter).—"The people must not be dismayed at the report of the United States in freezing Japanese assets but place all their faith in their own government."

This advice to the Japanese was offered by the Finance Minister, Mr. Matsuzono Ogura during a newspaper interview.

It is also said that 20 fully loaded transporters left Canton on July 20 and July 21 in a southwesterly direction. The reports state that the Japanese are concentrating troops on Hainan Island and Formosa but so far none have been transferred to the north. The suggestion is therefore, that they will be used to threaten or attack Thailand.

London Air Alert

LONDON, July 28 (Reuter).—An air raid alert sounded in London early this morning followed by gun-fire.

Italians In Asmara Prove Amenable To Discipline

(By "Reuter's" Chief Correspondent in Cairo)

ASMARA, Eritrea, July 27.—Some Italians in this British occupied town are now coming out into the open as anti-Fascists. Others are unwilling to commit themselves while they suspect that there is any chance of Fascism returning, but practically all of them, officials and civilians, show an almost unnatural readiness to co-operate with the British authorities.

The general feeling among the Italians here is one of bitterness against their leaders. The political problem, however, is small compared with the economic problem facing the British administration.

Eritrea has always been developed by the Italians as a show place on uneconomic lines. A big attempt is now being made to get the economic life of the country running. Eritrea

has numerous garages and works ready for anything except to build cars, and they are said to be only equalled in England by Birmingham in numbers and equipment.

Resuming Work

British possession of this El Dorado of machine tools is helping to solve the transport problems of the Middle East.

TURN to Back Page, Column 3

Halifax Meets Roosevelt

This is the first picture of Viscount Halifax, the British Ambassador to Washington, and President Roosevelt together. Lord Halifax has announced that he is shortly leaving for London to consult the British Cabinet.



U.S. Warships Guarding Atlantic STIRRING WORDS OF ENCOURAGEMENT AND HOPE FOR BRITAIN

LONDON, July 27 (Reuter).—"To-night British and American warships are patrolling the Atlantic on parallel lanes with only one object in view, namely to guard the world's life-line," said President Roosevelt's personal envoy, Mr. Harry Hopkins, during a broadcast from London to-night.

Mr. Hopkins mentioned that the bomber in which he flew the Atlantic recently was accompanied by 20 other bombers and he declared that thousands of American aircraft have already been flown across the Atlantic or had been shipped to Britain.

"I came here on business which is the same as that of every other American down to the man who drives a rivet in shipyards or runs the lathe in aeroplane factories—the business of safeguarding our heritage of freedom of thought and action."

Mr. Hopkins declared: "Right now Hitler is seriously threatening this heritage of ours."

"President Roosevelt, speaking for the American people, is rendering more than lip service to Britain. Even now American destroyers are plunging their bows into the waters of the North Atlantic. Once this mighty ocean separated us. Now it joins us. The President is at one with Mr. Churchill in determination to break the ruthless power of the sinister psychopathic of Berlin."

Unbreakable Bridge

After declaring that he had carried out President Roosevelt's instructions to find out just what Britain needed now and whether cargoes were arriving safely, Mr. Hopkins continued: "To-day the Atlantic is merely a channel. A bridge of friendship spans it. A bridge of sympathy and admiration extends from Washington to London and although unseen, it is so strong that all the powers of darkness and Nazi terrorism cannot destroy it. We no longer measure distance in miles. The Hun is only 21 miles from Dover, yet he and his pugnacious were 2,000 years away from Dover."

"Like most Americans, I feel that your fight is the fight for the freedom of the whole world and that it must not and will not fail. At one time you received messages of goodwill from America. The President realised that it was not enough. He realised that sympathy is human but that a flying Fortress can drop more bombs. He knew that admiration was pleasing but that a destroyer could drop depth charges."

Figures Withheld

"The Lease and Lend Bill was the answer, putting our admiration and sympathies into a tangible form and providing a weapon against a tyrant—against a man who would enslave our democracy."

"Until now, Britain has not been told just what help America has given. Publication of the exact figures might give the enemy valuable information and jeopardise the Atlantic life-line."

"Now that life-line is much stronger. No enemy action can now stop the ceaseless line of ships coming here daily, laden with something much more substantial than hopes and sympathy. During the past few months, thousands of American-made aeroplanes have been flown across the Atlantic or shipped to Britain. A vast programme for building thousands of giant Boeing four-engine bombers is far advanced and Hitler will not be able to move his factories far enough to escape their devastating power of destruction."

Ceaseless Toil For Britain

"America has already sent several hundred tanks throughout your empire. Many more are en route. Ocean-going ships, many of which

TURN to Back Page, Column 3

Ing of assets had compelled Japan and Indo-China to realise that "Asiatism must depend upon Asia's own resources."

JAPANESE EXPECT MORE EMBARGOES

Tokyo Press Comment

Special to the "Telegraph"

TOKYO, July 27 (UP).—The "Asahi Shimbun" to-day predicted that the United States would continue its economic warfare against Japan by an oil embargo and additional economic

pressure by other restrictions. The paper added that "in view of the current international situation, the United States was not likely to modify the course she had followed against Japan."

However, the paper warned President Roosevelt that any attempt to obstruct Japanese trade with South America would fail, since "he should remember that so far all American efforts to check rising nations had proved a dismal failure."

The "Nichi Nichi" warned that the United States may face war unless she realises that she is following Roosevelt's apparent belief that he can sense Japan into adopting a more moderate policy."

The paper claimed that that the United States had consistently followed a provocative policy in the Far East, adding, "the latest provocation will only serve to unite the Japanese nations and harden nation will bent upon achieving its ideals."

The "Yomiuri" said that the freezing of Japanese assets would be a

Japanese Northward Move Report

SPECIAL TO THE "TELEGRAPH"

CHUNGKING, July 27 (UP).—

The Chinese Communist Party issued a proclamation stating that Japan is concentrating ships in the Pacific for the transfer of part of her troops in China to Manchuria preparatory to attacking the Soviet Union.

It asked that, in the event of a Soviet-Japanese war breaking out, Chinese Communists redouble their efforts to engage Japanese forces all over China at all costs fighting with Russia in a common front against Japan.

Meanwhile, official quarters in Chungking denied the story that Generalissimo Chiang Kai-shek is sending a million troops to Russia, pointing out firstly that the Chinese can best help the Soviet Union by fighting the Japanese in China; secondly that Siberia is too cold for the Chinese; thirdly that Outer Mongolia and the Chinese Communists are undoubtedly aiding Russia, for which reason it is unnecessary for the Generalissimo to send troops.

New Sumita-Decoux Agreement Reported

SHANGHAI, July 27 (UP).—The Shanghai "Mingpao" reports from Saigon that General Sumita had announced the conclusion of an agreement with Governor-General Decoux whereby the agreement reached between Admiral Darlan and Ambassador Kato at Vichy becomes effective immediately.

CHUNGKING, July 27 (UP).—The biggest raid on Szechwan this year took place to-day when, it is reported 108 bombers and pursuit planes from Central China swept the heart of Szechwan and bombed a number of cities, including the provincial capital of Chengtu where many establishments are known to be situated.

Chungking had an air raid alarm early in the morning and the "All Clear" was not sounded until nearly six hours later, at 2.15 p.m.

Japanese bombers swept across the edge of Greater Chungking but dropped no bombs. They circled over the outlying cities around Chungking, Tungting and Hochwan where they are believed to have dropped bombs.

The majority of the bombers headed for Chengtu but details of the destruction there are not yet known.

Szechwan Suffers Its Biggest Raid of Year

Special to the "Telegraph"

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LATEST

Japanese Ship To Call Here

Although two Japanese ships, the Nitta Maru and the Nagato Maru, have been diverted from Hongkong as a precautionary measure, it is understood that the Hongkong-Canton steamer, Shirogane Maru, will be calling here as usual tomorrow. So far, the local agents report that there has been no change in the schedule.

The Butterfield and Swire steamer will be making her usual weekly run, leaving on Saturday for Canton, and returning to the Colony on Wednesday.

See Back Page For Further Late News

Soviets Continue Magnificent Defence

LONDON, July 27 (Reuter).—The latest news from the Russian front received by authoritative quarters in London shows that during the past week, the opposing lines remained practically unchanged with the Russian forces putting up a magnificent defence.

There has been virtually no change in the position from the Arctic to the Black Sea. The only advance worth mentioning has been a very slight one by the Germans on the Finnish front, but this is so slight that it can be regarded as having no military significance.

News of the annihilation of two German divisions is claimed to be a very severe setback to the German invaders, but it is pointed out that with the huge numbers of men now taking part in the fighting, it must not be regarded as a major defeat for the Germans.

Battle of Smolensk
(REUTERS'S SPECIAL CORRESPONDENT)
MOSCOW, July 27.—"We cannot yet give particulars about the vast Smolensk battle but we shall do it as soon as we have finally beaten the German there," declared the Vice-President of the Information Board, M. Lomovskiy, at his press conference to-day.

"It is a battle that will be studied for many years," he added.

Speaking of raids on Moscow, he reiterated that only a small percentage of German planes broke through to Moscow and that most of them perished. He thought that the Germans could not keep it up.

Referring to the fact that many German bombers were brought down near Moscow with much petrol aboard, he said that the Germans were mostly obliged to operate from distant bases, any new aerodromes near the front being subject to continuous bombings involving the destruction of German machines.

Slovak Surrender
Reverting to the land war, M. Lomovskiy said: "We inflict enormous casualties in killed and wounded and also take many prisoners."

He also declared that details would shortly be given of the surrender of an entire Slovak mechanized regiment.

"The blitzkrieg is a wash-out," he added. "When we declared in the days following the surprise attack that the loss of certain territories was not vital, some people thought that we exaggerated. But the Soviet Union, with scores of industrial centres, can afford to lose a small proportion of territory."

I asked M. Lomovskiy for particulars of the bombing of the Ploesti pipeline, the centre of the Rumanian oil fields. He smiled, saying: "Ploesti, there is nothing left but the name."

CLASH OVER STRAITS OF DOVER

LONDON, July 27 (Reuter).—An air engagement took place over Dover Straits this afternoon.

A British Air Ministry communiqué states: "During an offensive patrol over the Straits of Dover this afternoon, our fighters engaged a formation of enemy fighters. One of the enemy was destroyed and several others were severely damaged but were not seen to crash because of low clouds and therefore their destruction cannot be confirmed."

"One of our fighters is missing."

ASPHALTING BURMA ROAD

KUNMING, July 27 (International).—The resurfacing of the Burma Road has begun with 10,000 tons of asphalt from the United States. Many Chinese drivers are being trained in the United States to negotiate this international highway. In about six months the road will achieve full operational efficiency and traffic will run all seasons day and night.

Improvements to the road include the installation of repair workshops, the use of radio-equipped mobile workshops, a relay of relief lorry drivers, well stocked gasoline stations and the proper maintenance of traffic.

INDIAN V.C. ON LEAVE

BOMBAY, July 27 (Reuter).—Second Lieutenant P. S. Bhagat, the first Indian V.C. of the present war, has arrived in India on two months' leave.

Looking extremely fit, Bhagat refused to say anything about himself but was full of praise of the part played by Indian troops in East Africa.

Broadcasting from the Bombay station of the All-India Radio, he spoke highly of the work of Indian soldiers at Keren, Telesien, Massawa and Amba Alagi.

Wearing a miniature V.C. attached to the dark red ribbon now, Bhagat will receive the Cross from the King-Emperor.

Suicide Of Exiles

SPECIAL TO THE "TELEGRAPH"
LISBON, July 27 (UP).—It is learned reliably that there have been at least seven suicides among ex-patriated Consular officials and families.

Grim War Games In Britain

LONDON, July 27 (Reuter).—At dawn to-day, the biggest "invasion" exercises ever staged in Britain began in and around Reading.

While "German" planes roared over the town and parachutists descended, Fifth Columnists endeavoured to create a diversion. At the same time, air-borne troops equipped with armoured vehicles landed in the neighbourhood.

Home Guards and the Fire Service and all other branches of the civil defence services took part. Home Guards particularly distinguished themselves in the clever use of local knowledge to delay the "invaders" pending the arrival of heavily armed infantry.

All Devices Used

Smoke screens, gas tanks and all modern methods of attack introduced. London and Nottingham have also witnessed to-day large scale invasion exercises. Both in London and Nottingham, spectators witnessed fierce street fighting between "invading" tanks and Home Guards.

U.S.-Anglo Act Delights Chungking

CHUNGKING, July 27 (Central News).—A Government spokesman to-day expressed gratification at the prompt and energetic measures taken by the British Government with the support of other members of the British Commonwealth and the Government of India to counter Japan's fresh aggression in Indo-China.

The severance of all trade relations between the British Empire and Japan and the freezing of Japanese assets which followed so closely a similar action taken by the United States Government, the spokesman said, not only deal the most serious blow to Japan's already weakened financial and economic structure but also demonstrate the ever-increasing solidarity among the Democratic Powers.

China welcomes this strengthening of the anti-aggression front in the Pacific area as elsewhere, the spokesman added.

Agitation For Indian Independence

POONA, July 27 (Reuter).—The Indian Non-Party Leaders' conference passed a resolution demanding a complete reconstruction of the Viceroy's Executive Council and urging a declaration specifying a time limit within which a new constitution for India will be inaugurated, according to her same status as Great Britain and the Dominions.

Afghanistan's Neutrality

PESHAWAR, July 27 (Reuter).—An official announcement, made at Kabul on Saturday, once again declared Afghanistan's neutrality in the present war.

The Government wished that there would be no misapprehension abroad. The declaration said that Afghanistan strictly adhered to her policy of perfect neutrality and maintained extremely cordial relations with the belligerent Powers.

British Nationals Not To Evacuate Shanghai

CHUNGKING, July 27 (Central News).—Reports that British nationals in Shanghai are preparing to evacuate the city are denied by responsible British quarters there, according to a dispatch received here.

These quarters, the dispatch says, characterize the reports as malicious propaganda and believe that Shanghai as a metropolis of international character will not be affected despite the present changes in the world situation.

Red Para-Troops Land In Bulgaria

SPECIAL TO THE "TELEGRAPH"
ANKARA, July 27 (UP).—It is learned reliably that Russian parachutists landed in the last few days in Bulgaria.

A few were rounded up and killed and the remainder were hidden and protected by peasants.



The American Red Cross recently sent 3,200 bags of wheat and rice to Hongkong for distribution among war refugees in China. Of this amount, 800 bags were allotted to Kwangtung. Picture shows representatives of various Kwangtung districts with a cargo of grain that was shipped to the interior last week. (Photo: New China Newsphotos).

French Submarines, In Nazi Hands, A Menace To Britain

WASHINGTON.—A huge fleet of submarines which once fought at Great Britain's side might be used against her in the Battle of Atlantic if Germany obtains the collaboration of France to the extent of taking over or winning domination of the French Navy.

The submarines are the most numerous of all the vessels at the disposal of the Vichy Government. Secretary of the Navy Frank Knox told Congress earlier this year that the French had 60 of the undersea craft, 52 destroyers, 14 cruisers, one aircraft carrier and one battleship.

Authoritative quarters here do not believe the Nazis ever would be able to gain control of all these vessels. The aircraft carrier referred to apparently is the Bearn, now stationed at the French island of Martinique in the Caribbean, and the cruisers presumably include the light cruiser Emile Bertin, also at Martinique, and the Jeanne d'Arc at nearby Guadaloupe.

Naval experts take it for granted that neither the United States nor Great Britain would willingly permit these ships to quit their berths in the heart of the Western Hemisphere naval defense area and sail away unchallenged to join the battle against Britain.

In Indo-China
Other units of the French fleet, believed to include destroyers and lesser craft, are known to have been stationed in French Indo-Chinese ports after collapse of the mother country in June last year. Some or all of those may still be there, and it is questionable whether they would join the Axis forces.

Thus the submarines, virtually all of which are believed based on French Mediterranean and Atlantic ports, might furnish the Germans their most useful additional striking power both because of the number available and because Germany has found the undersea raiders effective against British convoys.

Portion Immobilised
When the collapse came two developments greatly reduced the fleet's power. First the British demobilised a great portion of the fleet at Alexandria, Egypt, including two battleships, two light cruisers, eight destroyers, some submarines and 200 small vessels. Second, the British fleet blasted powerful units of the French Navy tied up at Oran, French African port on the Mediterranean.

The main forces of the diminished French Navy now are understood to be tied up at Oran, Bizerte, Toulon, and Casablanca, Mediterranean ports, and at Dakar, Atlantic port in French West Africa.

Attitude Of Netherlands Undefined

BATAVIA, July 27 (Reuter).—The Netherlands East Indies are confidently awaiting the decision of the Netherlands Government in London which, it is already semi-officially announced, cannot view the Japanese action in Indo-China with equanimity.

No announcement is yet made to implement any action parallel to the Anglo-American freezing of Japanese credits but business quarters feel that something may be expected.

Pending clarification of the issue, most businessmen are expected to hesitate before entering any new commitments when business opens again to-morrow after the week-end. Although a certain tension here coincides with the black-out which started today, no nervousness whatever can be observed.

Certain military preparations are being checked up as usual.

Hope Not Abandoned of Missing Australians

It is still too early to come to any definite conclusion about those members of the A.I.F. who have yet to be accounted for following the withdrawal from Greece, but the fate of at least one battalion commander continues to cause anxiety, though hope has by no means been abandoned, states the Commonwealth official war correspondent in a message from Cairo.

Five Cheat Death In Accident

Make Perilous One-Point Landing

DENVER, June 5 (AP).—A courageous army pilot and his four passengers laughed in the teeth of disaster yesterday, "riding out" a huge, crippled \$200,000 army bomber in a spectacular one-wheel landing.

Lives of the five men were imperilled after the 200-pound left tire burst during a takeoff at the army air corps technical school at Lowry Field here.

Once aloft, Lieut. Arch Campbell, the pilot, from Fort Worth, Texas, and his four companions shook hands all around. He suggested they might bail out in parachutes. "All voted to 'ride it out'."

Perilous Landing
For an hour and a half, with hundreds of officers and soldiers watching from below, Campbell dived back and forth over the field, to lighten the gasoline load and facilitate the perilous one-point landing.

Finally he nosed the ship down, twin motors roaring at 110 miles per hour. As soon as the right tire touched the concrete runway, Campbell cut all switches and threw every ounce of his rugged frame against the right wheel brake. This kept the ship from swerving to the left on the bad tire and somersaulting.

For 500 feet the big plane slid along the concrete, bouncing from good tire to bad until finally the right casing also burst. Rubber screamed on the runway, sparks flew from the wheels and smoke plumed from the ripped tires.

A Record Run Of Salmon

Predictions Upset

THE DALLES, Ore.—Upsetting predictions, the United States District Engineer's Office has reported that the spring salmon run over the fish ladders at Bonneville Dam is the largest on record.

Many a commercial fisherman declared four years ago, when Bonneville Dam closed off the open Columbia River run of salmon to their spawning grounds, that the salmon would come back in decreasing numbers each year.

During April, figures just released reveal that fish counters at the dam checked 51,601 chinook salmon passing the ladders compared with 37,253 in April of last year.

In fact fish of every type have been churning up the swirling waters of the Columbia so fast that checkers have been forced to close their gates for 15 minutes of each hour. Chinook and steel-head salmon, white fish, trout, and so-called scrap fish sail over the white flash boards which outline the migrating fish for the Government spotters.

This year's spring run began one week earlier than usual.

Since April 18, when his little force had held the bulk of two German divisions at bay over the Penios River for 36 hours, there has been no word of this officer.

A new Zealand battalion had been given the task of holding the German advance through the Penios gorge, but on April 18 it became clear that the enemy masses were too huge for it to have any hope, and two battalions of an Australian brigade were thrown in to delay the German push.

This officer's battalion was one of these, and it took up its position over the spot where the road, railway, and Penios River run together, about 15 miles from the coast.

Fierce Fighting

One company, under a Captain Hendry, of New South Wales, was ordered to hold some high ground which dominated the whole area. Captain Hendry's story gives a vivid picture of some of the fiercest fighting of the campaign.

"At dusk on April 17," he said, "we sent out a patrol to the villages where it was suspected that the Germans might be. The huns were whistling like birds to communicate their positions to one another. "By 11.20 a.m. we had Germans on three sides of us, and our forward patrols reported that the enemy was endeavouring to cross the river directly in front."

"By the end of the day we had inflicted so much punishment on the Germans, particularly with mortars and light machine-guns, that our troops already talked of the engagement as 'The Battle of Blood Valley.' The enemy continued to press on at all points, however, and at 3.30 p.m. I was ordered to withdraw. We fought back in twos and threes. The conduct of my men was marvellous."

"At this time, too, enemy dive-bombing became more intense than ever. They had been at us all day, but had fortunately dropped most of their bombs on the road behind us. Then there followed a massed tank attack against the remainder of our companies, placed in depth along the main road to Larissa."

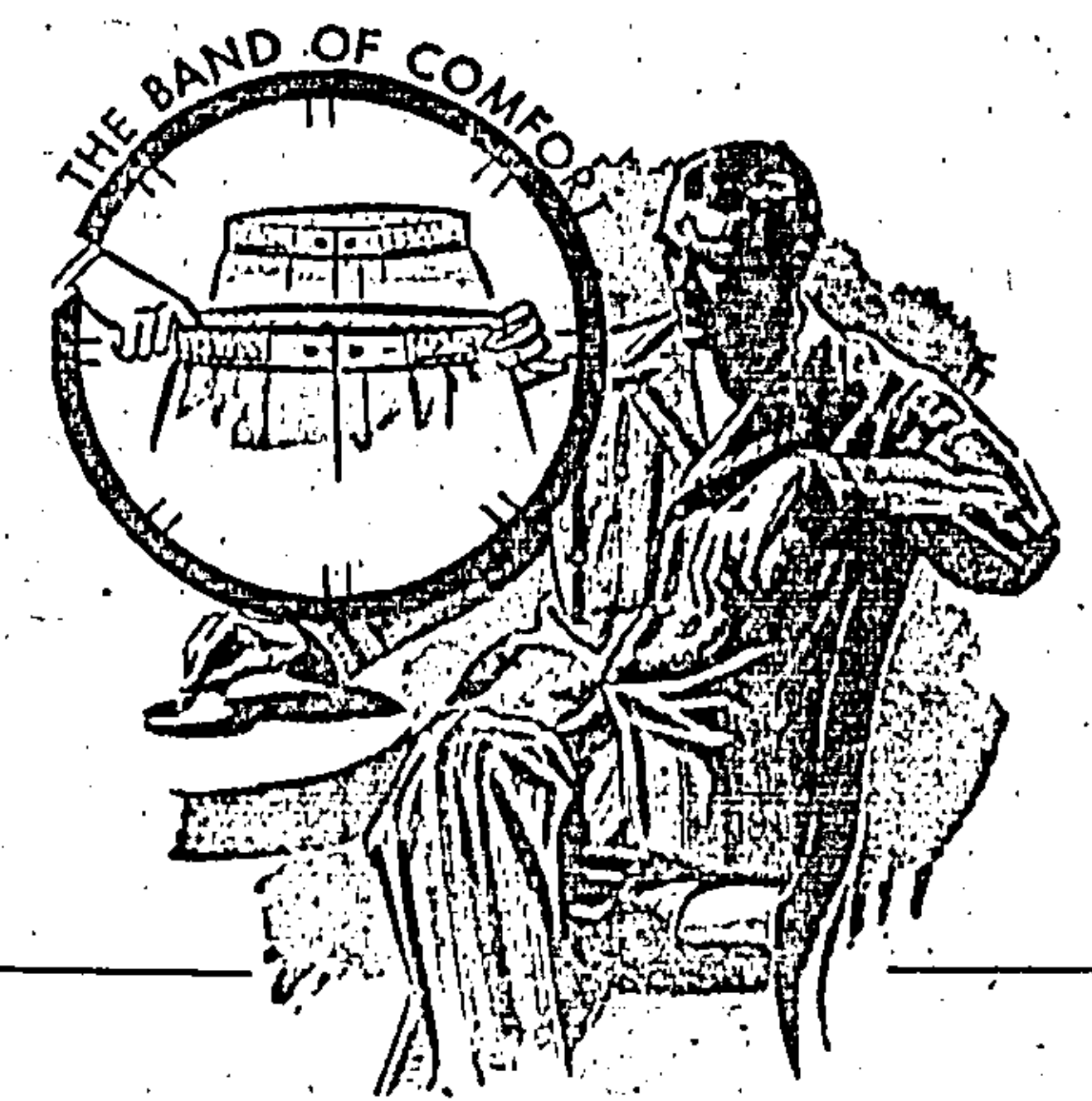
Massed Tank Attack

"At least 50 medium tanks attacked, supported by infantry. It was an amazing sight, as the tanks were firing furiously with their two pounder guns, and each shell carried a red tracer. As the tanks drew closer they opened up an intense machine-gun fire, and each bullet carried a coloured tracer, either red, white, or green."

An Australian staff officer said the fate of the commanding officer and his gallant men was not known as yet. Some of them withdrew to buses, according to plan, others gradually disengaged the enemy and made their way to the coast. "We still hope we shall find him and many of his men," the officer added.

Nazis Give Ship To Chile

The Chilean Government formally announced that it has received the German school sailing ship *Priwall* as a gift of the German Government. The *Priwall*, a 3,185-ton four-masted bark, had been at Valparaiso since the start of the war. Chilean naval officers took possession of her on May 15.



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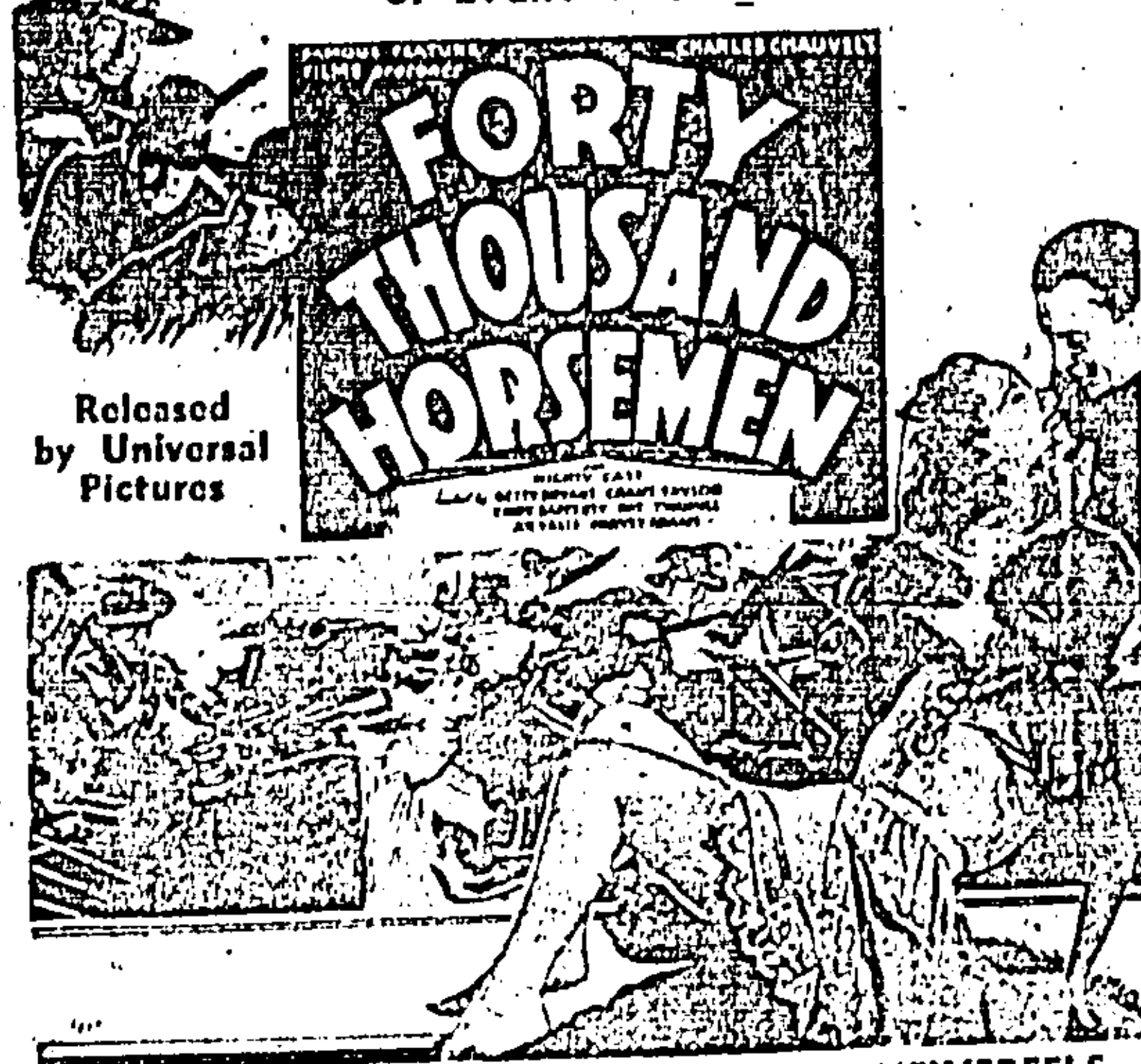


QUEEN ACCEPTS.—Queen Wilhelmina of the Netherlands, exiled in London, accepts from Anthony J. Biddle, U.S. envoy to Nazi-conquered nations, British-American ambulance. It was given by Queen's subjects and friends in U.S.

KINGS

SHOWING TO-DAY At 2.30, 5.10, 7.15 & 9.30 P.M.

HEROIC SPECTACLE THAT Baffles Description
AND BURNS ITSELF INTO THE MEMORY
OF EVERY TRUE AUSTRALIAN.

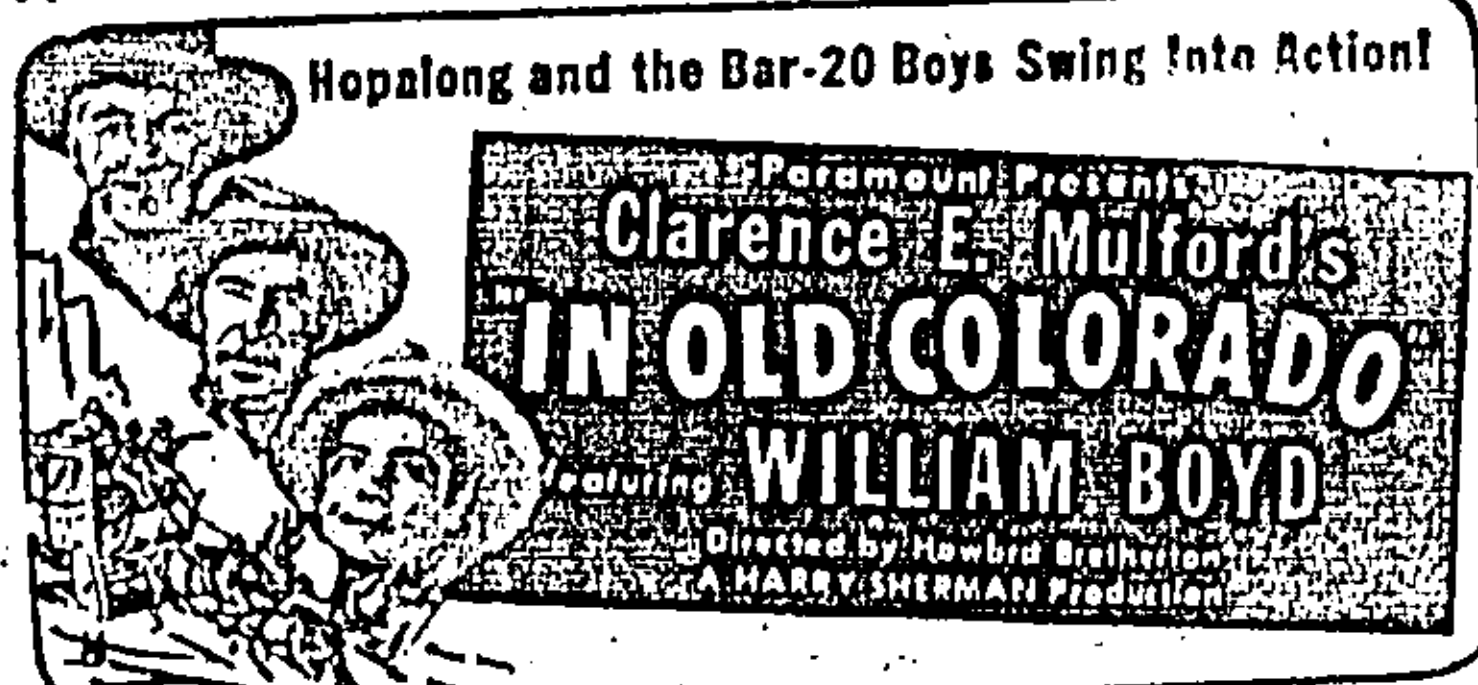


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LAST FOUR TIMES TO-DAY
SENSATIONAL ACTION-PACKED WESTERN ADVENTURE!
Cassidy brings law and order to a territory where
six-guns were judge, jury and prosecutor.
A LAND WHERE BLAZING GUNS WROTE THE LAW!

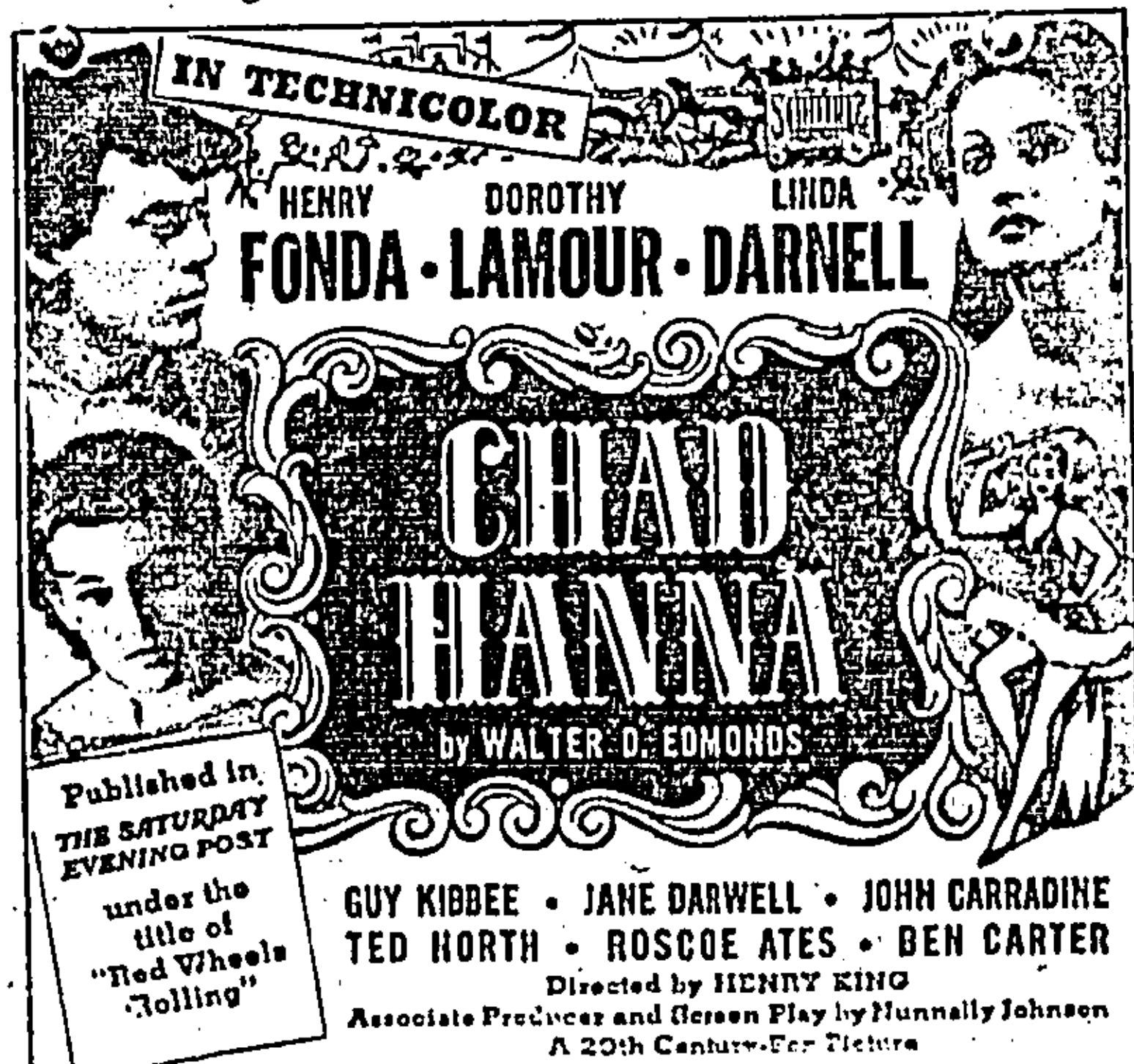


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Stirring Words Of Hope For Britain

FROM PAGE ONE

are oil tankers, have been transferred to Britain. The greatest merchant ship-building programme ever undertaken is in progress. Riveting never stops night and day.

"We can promise that there will be ships to carry food, oil and ammunition."

"To-day American-made tanks are caterpillaring over the sands of the eastern deserts. To-day every kind of American-made aeroplane is roaring into combat wherever the Luftwaffe shows fight. To-day British factories are in full production using machine tools made in America."

A Modest Part

"Yet we realise that our part to-day has not been great. Our contribution has been but a modest part in your great war effort. The blood, toil, sweat and tears have been yours—not ours. We realise this. This is a reason for our apparent slowness. The factories geared to peace-time production had to be converted overnight. It took time to realise that the war might be decided in the factories of Detroit and Los Angeles, in Pittsburgh steel mills, in Pennsylvania mines. That is realised to-day. American industry now joins hands with the men in work for Deverbrook and Devin in forgetting disputes, in limiting holidays, in sacrificing all for a common victory."

"I am not talking of the distant future nor of estimates based on speculation. The ships now being built in America were only paper pictures on blueprints a few months ago. Now they are translated into wood and steel. Soon they will be afloat, strengthening the supply line between Britain and America."

Food Promised

"We have not neglected the question of food. America will never allow the British people to go hungry. America has decided to decrease the consumption of food and to increase production. During the next twelve months huge quantities of cheese, pork, eggs, canned salmon, raisins, evaporated milk and concentrated fruit juices will arrive here."

"Thousands of miscellaneous articles important to the war effort are also on their way, from aviation petrol to road-building machinery, chemicals of all kinds and metals. These are coming in increasing volume."

"The Lease and Lend Bill has given the President specific authority to foster this great programme of production and delivery."

China And Russia

"Nor do we forget to look towards the east where China is battling valiantly against the forces menacing democracy. Neither are we forgetting of the magnificent fight the Russians are putting up in defence of their homeland. We Americans are determined to give China and Russia all possible aid—and immediately."

Mr Churchill asked us for the tools; I promise you that they are coming, that an endless assembly belt stretches from our western coast to Britain and to the Middle East and nothing will be allowed to interfere with the full efficiency of this supply line."

Mr Roosevelt promised that he will take steps to ensure the delivery of goods consigned to Britain. Mr Roosevelt did not give his word lightly.

"People of Britain—people of the British Commonwealth—you are not fighting alone."

Italians In Asmara

FROM PAGE ONE

East. In addition to finding employment wherever possible, the British are supporting women and children with regular allowances.

Good relations exist between the Italians and British, South African and Indian troops now being garrisoned in the country. The feeling of irritation against the Italian leaders never varies.

Between sea, rail and road routes are being opened by the authorities. The railway from the Red Sea port of Massawa, which may yet form a valuable link with Sudan, was fortunately little damaged and its cheap transport will reduce the cost of living.

Britain has been the testing ground of what Britain can do in administering and feeding occupied territory. Doubtless the experience gained here will be invaluable later in the harder post-war task of feeding Europe's millions.

AIR LOSSES COMPARED

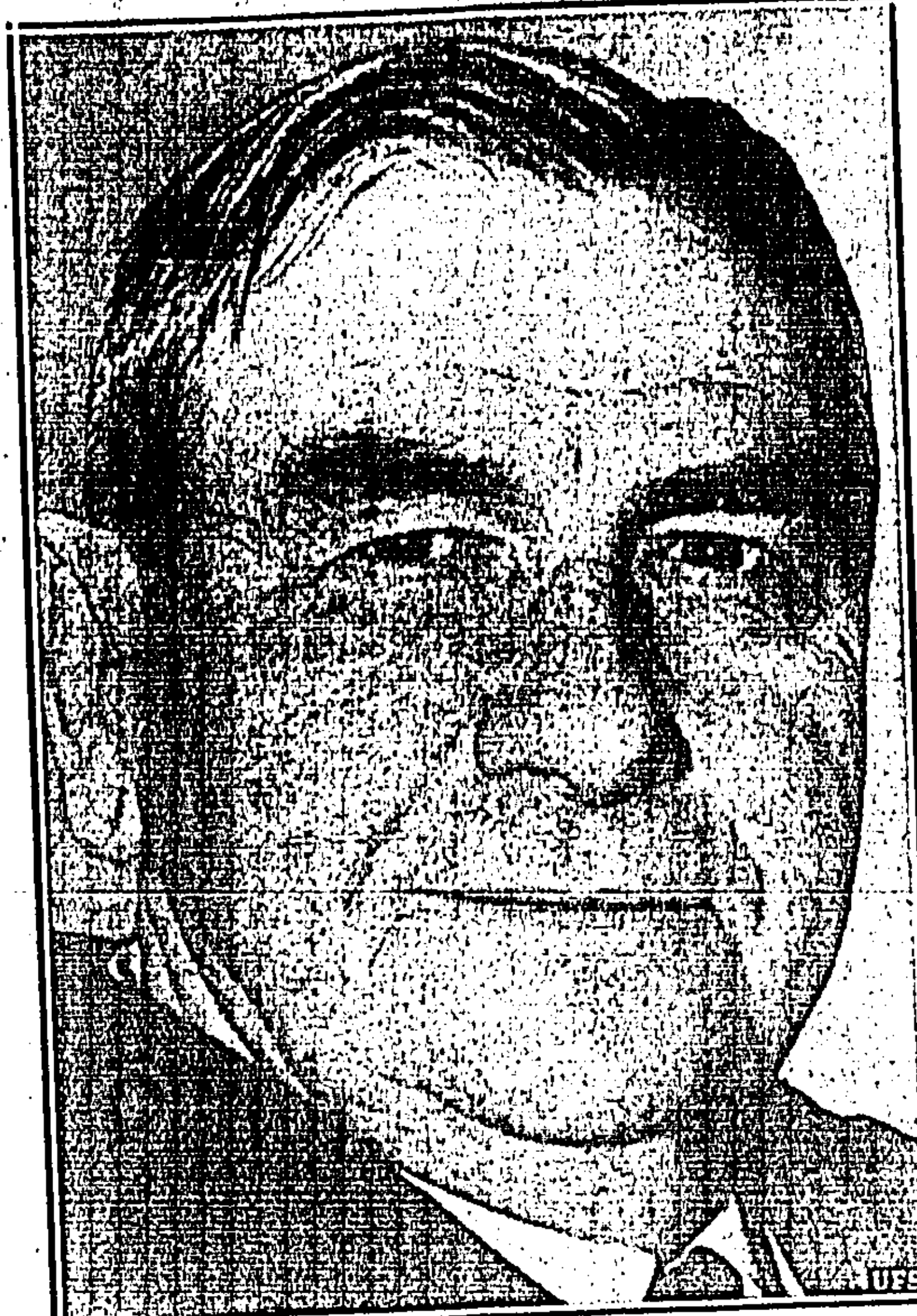
FROM PAGE ONE

accounted for 13 with the loss of six of their own. During the same period the German High Command have claimed to have brought down 127 British machines in the west alone against the loss of seven. This exaggeration, as already seen during the Battle of Britain, is a sure sign that the Luftwaffe find the British successes exceedingly disconcerting.

PURSUED SLAYS PURSUER

Shooting In Shanghai

SPECIAL TO THE "TELEGRAPH". SHANGHAI, July 27 (Dome).—Kenzo Shotoku, Japanese bluejacket, who was shot at 9.10 p.m. last night while pursuing a Chinese who evaded the Japanese patrol at the intersection of Kwangning and Alcock Roads, died to-day at the Japanese naval hospital. Search is being continued for the murderer.



CHIEF JUSTICE—Harlan Fiske Stone, former dean of Columbia law school and native of Chesterfield, N. H., nominated by President Roosevelt to succeed Charles Evans Hughes as Chief Justice of U. S. Supreme Court. He is 68.

Braille Typewriter With 63 Keys Is Invented

SYDNEY, New South Wales—A Braille typewriter with 63 keys and capable of rapid reproduction of Braille characters, has been invented by Clifford H. Gittens, an independent inventor of this city.

The machine differs from the ordinary Braille typewriter now in general use in that a key is provided for each character of Braille. The ordinary Braille typewriter consists of six keys, of which various numbers must be punched simultaneously to construct a given character.

The machine can also be fitted with Braille keys for use by the blind themselves. It is powered driven from an electric light socket. Mr Gittens has also invented a stereo machine which stamps Braille characters into zinc sheets from which many copies of each page can be printed on Braille paper. With the Gittens typewriter and a few workers a large volume of books and magazines can be turned out for use of the blind.

Six Months' Experiment

Mr Gittens began work on his Braille typewriter at the suggestion of David Hunter, former blind secretary for the United Australia Party and at present a member of the New South Wales legislative Assembly. After six months of experimentation, the first machine was completed and sent to David Hunter. The second machine was purchased by the Blind Institution where it has been put to a score of uses. Notices can be posted to be read by the children, examination questions can be written out for each child, stories and poems, not already in the Braille library, can be prepared by teachers.

The stereo Braille machine was a heavier development of the typewriter. As the touch of both machines is electrically stabilised, heavy Braille paper, or zinc plates can be "written" as easily as writing on fine paper.

FIRING TIMES

Heavy and Light Guns In Action This Week

Firing practice as under is notified for to-day.

(a) Reserved between the hours of 9 a.m. and 6 p.m. as an alternative date for heavy gun practice originally detailed for July 24, 1941. Firing Area "C" will be affected; (b) Light gun firing practice between the hours of 6 p.m. and 12 midnight. Firing Areas "D" and "E" will be affected. Firing practice as under is notified for to-morrow.

(a) Heavy gun practice between the hours of 9 a.m. and 4 p.m. from selected positions on the Island. Firing Area "E" will be affected. Alternative date—August 1, 1941; (b) Light gun firing practice between the hours of 6 p.m. and 12 midnight. Firing Areas "D" and "E" will be affected.

Firing practice as under is notified for July 30, 1941.

(a) Heavy gun practice between the hours of 9 a.m. and 6 p.m. from selected positions on the Island. Firing Area "C" will be affected. Alternative date—August 1, 1941; (b) Light gun firing practice between the hours of 6 p.m. and 12 midnight. Firing Areas "D" and "E" will be affected.

Heavy gun firing practice will be carried out between the hours of 9 a.m. and 6 p.m. from selected positions on the Island on July 31, 1941. Firing Area "D" will be affected. Alternative date—August 1, 1941. Light gun firing practice will be carried out on August 1, 1941, between the hours of 6 p.m. and 12 midnight. Firing Areas "D" and "E" will be affected.

Official Story Of Annihilation Of Nazi Forces

FROM PAGE ONE

the encircled division weakened every hour.

Tanks Complete Kill
"At the end of the second day's fighting, our troops assumed the offensive. Our tank units annihilated the remnants of enemy batteries and machine-guns. Our tanks and brave infantrymen hurled themselves against a unit of the German infantry division. Tanks going at full speed crushed and machine-gunned at point-blank range Fascist soldiers."

"According to preliminary reports, 4,000 German officers and soldiers found their graves on the field of battle. Our stretcher-bearers picked up about 3,000 and some hundreds of wounded."

"A large number of prisoners were taken, and several dozen tanks, a large number of lorries and motorcycles, 40 anti-tank guns, 12 heavy guns and eight light guns and 20 mine-throwers were destroyed."

"The rest of the annihilated division fled in panic."

LATE NEWS

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NEXT CHANGE: "TWO GIRLS ON BROADWAY" Lana Turner - Joan Blondell

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MONDAY, JULY 28, 1941

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JAPANESE LANDINGS AT CAMBODIA PORTS REPORTED UNDER WAY

SPECIAL TO THE "TELEGRAPH"

SAIGON, July 27 (UP).—IT IS UNCONFIRMEDLY REPORTED THAT JAPANESE TROOPS HAVE STARTED TO DISEMBARK AT UNDESIGNATED CAMBODIA PORTS THIS EVENING. MEMBERS OF THE JAPANESE MISSION WHEN QUESTIONED ABOUT THE REPORT REPLIED, "WE DON'T KNOW."

SEVERAL JAPANESE MILITARY TRUCKS, DRIVEN FROM HANOI, RUMBLED THROUGH THE STREETS OF SAIGON TO-DAY HERALDING THE JAPANESE OCCUPATION WHICH IS EXPECTED TO BE IN FULL SWING BY TUESDAY. THE CITY IS QUIET AND THE CINEMAS AND CAFES ARE CROWDED WITH NORMAL WEEK-END THRONGS.

Official Story Of Annihilation Of Nazi Forces

MOSCOW, July 27 (Reuter).—The following communique was issued by the Russians to-night:
"Our troops fought to-day in Nevel, Smolensk and Zhitomir directions. There were no important engagements in other sectors."

"During Saturday 104 German aircraft were destroyed for the loss of 12 Soviet machines."

NO NAZI GAINS FOR 48 HOURS Splendid Russian Resistance

SPECIAL TO THE "TELEGRAPH"

LONDON, July 27 (UP).—It is stated in authoritative quarters that the Red Army is apparently holding the Germans at a standstill, which has lasted for 48 hours all over the front except for a small gain by the Finns in the northern sector. At the same time, it is contended that there has been no serious change for the Russians in the past week.

The routing of two German divisions, claimed by the Soviets near Smolensk, is called a serious but not devastating blow to the Germans.

Authorities said that the Soviet communique indicated that the Red Air Force was operating "extremely well," breaking up German formations and raiding the Rumanian oilfields.

Meanwhile, there is no confirmation
TURN TO Back Page, Column 3

AIR LOSSES COMPARED

FIGURES FOR WEEK

LONDON, July 27 (British Wireless).—Satisfaction is expressed here that while the R.A.F. offensive over Europe is growing in ever-increasing violence, figures for last week show that the Nazis lost the same number of machines as the R.A.F.—64.

The result is all the more surprising when it is realised that German A.A. efforts to protect the Schernhorst and Gneisenau were on a very large scale and that the R.A.F. attacks were carried out on these warships in daylight.

Comparative totals for the week ending at dawn on July 27 are 95 enemy machines against 75 of the R.A.F. Five German machines were destroyed over Britain and its coasts against one of the R.A.F.

Middle East

In the Middle East, there were 13 Axis losses against four British with one pilot safe. The Navy has accounted for 13 with the loss of six of their own.
During the same period the German High Command have claimed to have brought down 127 British machines in the west alone against the loss of seven. This exaggeration, as already seen during the Battle of Britain, is a sure sign that the Luftwaffe, and the British successes exceedingly disconcerting.

Approximately 100 members of the Japanese Mission have taken up residence at the Continental Hotel. They are in uniform wearing the Rising Sun brassards.

Throngs of curious Annamites, French and Chinese remained outside of the hotel all day.

The Japanese immediately started on shopping tours—apparently all photographers were virtually cleaned out of all good cameras.

The suspension of the Dutch air service between Saigon, Singapore and Batavia has further cut off Indo-China from the rest of the world.

Commenting on the present position, the head of the naval section of the Japanese Mission told the "United Press," "Troops and sailors coming to south Indo-China are the best disciplined men and no incidents with the Chinese or French are anticipated. We do not wish to treat the Chinese badly here providing they are willing to co-operate. On the contrary we will help them wherever possible."

Asked why the Chinese Chamber of Commerce building had been selected as the Japanese headquarters, the spokesman replied that the Japanese needed large buildings and the occupation of the Chinese Chamber of Commerce building complied with the agreement.

Questioned as to who would settle incidents likely to arise between the Chinese, French and Japanese forces, the spokesman said that the Mission would do that.
Asked if Japanese officers were apprehensive of incidents being likely, the spokesman said they were not very likely because the Japanese forces coming to Saigon would "co-operate" with the French against aggression.

He denied that the Japanese occupation forces would attempt to force merchants to accept yen and that "in accordance with Japan's agreement with the French, the Japanese forces will be paid in piastres."

Japanese Trust
TOKYO, July 27 (Reuter).—The people must not be dismayed at the action of the United States in freezing Japanese assets but place all their faith in their own government.

This advice to the Japanese was offered by the Finance Minister, Mr. Masatsune Ogura during a newspaper interview.

Meanwhile, all business in yen is impossible.
Momentarily a Government declaration by the People's Council is expected.

Batavia, July 28 (Reuter).—The Java Bank has officially announced that yen quotations have been suspended.

It is impossible to do anything possible to aid the British as a safeguard of ourselves."

He declared that American security depends on control of the Atlantic sea approaches, and therefore is contingent on the survival of the British fleet. "We would be foolish to the point of insanity if we failed to do everything possible to aid the British as a safeguard of ourselves."

He spoke on a programme sponsored by the Committee to Defend America, inaugurating a "Victory in the Atlantic" campaign week.

He said that the United States fleet should be used to guarantee that shipping lines in the Atlantic remain open for deliveries of vital materials to Britain. Such a success may cost the United States losses on lives, but these losses would not be great as those involved in combating vicious Nazis.

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Halifax Meets Roosevelt

This is the first picture of Viscount Halifax, the British Ambassador to Washington, and President Roosevelt together. Lord Halifax has announced that he is shortly leaving for London to consult the British Cabinet.

Economic War Against Japan

ROOSEVELT SEEKS CONFIDENCE VOTE FROM THE SENATE

Special to the "Telegraph"

HYDE PARK, July 27 (UP).—President Roosevelt has arranged for a vote in the Senate which will be the equivalent to a vote of confidence in his policy of unremitting economic war against Japan to check her southward expansion in the Far East.

The President to-day signed the nomination of General MacArthur as Lieutenant-General in command of the new U.S. Army in the Far East. This will be sent to the Senate tomorrow for confirmation, which is expected.

Senate Verdict Important
It is pointed out that by refusing to confirm the appointment, the Senate could register disapproval of the President's moves and probably could force a re-examination of his whole policy.

However, this is considered almost beyond the realm of possibility, as former Chief of Staff MacArthur is considered eminently fitted to direct the new army created by the nationalization of 200,000 men in the Philippine Army, Constabulary and Scouts.

President Roosevelt has made no further moves in his pressure campaign against Japan, obviously waiting for the full impact of the previous measures to be felt in Tokyo.

If Japan presses her expansion, additional moves are expected. The President has made it clear that he views Far Eastern developments with cold realism and has abandoned his former policy of appeasement. The Japanese reaction will determine how far he will go in the way of positive moves to check Japanese expansion by pressure.

Sayre Lauds Appointment

MANILA, July 27 (UP).—The High Commissioner, Mr. Francis B. Sayre, to-day lauded the appointment of General Douglas MacArthur as commander of United States Forces in the Far East.

"Because of his past experience as Commanding General in the Philippine Department and as the organizer and developer of the Philippine Army, General MacArthur is ideally equipped to integrate and direct the joint defence measures of the United States and the Philippines," the High Commissioner declared.

Mr. Jurgis B. Vargas, Secretary to President Quezon, made the following statement on behalf of the President: "The President does not have to reiterate the offer he has made of the man-power and resources of the country to the United States. The President has said that the order will be complied with enthusiastically and he is personally pleased that General MacArthur has been appointed to the new command."

Japanese Ship To Call Here
Although two Japanese ships, the Nitta Maru and the Nagato Maru, have been diverted from Hongkong as a precautionary measure, it is understood that the Hongkong-Canton steamer Shirogane Maru, will be calling here as usual tomorrow. So far, the local agents report that there has been no change in the schedule.

The Butterfield and Swire steamship will be making her usual weekly run, leaving on Saturday for Canton, and returning to the Colony on Wednesday.

JAPANESE EXPECT MORE EMBARGOES

Tokyo Press Comment

Special to the "Telegraph"

TOKYO, July 27 (UP).—The "Asahi Shimbun" to-day predicted that the United States would continue its economic warfare against Japan by an oil embargo and additional economic pressure by other restrictions.

The paper added that "in view of the current international situation, the United States was not likely to modify the course she had followed against Japan."

However, the paper warned President Roosevelt that any attempt to obstruct Japanese trade with South America would fail, since "he should remember that so far all American efforts to check rising nations had proved a dismal failure."

The "Nichi Nichi" warned that the United States may face war unless she realises that she is following "Roosevelt's apparent belief that he

TURN TO Back Page, Column 3

Japanese Northward Move Report
SPECIAL TO THE "TELEGRAPH"
CHUNGKING, July 27 (UP).—The Chinese Communist Party issued a proclamation stating that Japan is concentrating ships in the Pacific for the transfer of part of her troops in China to Manchuria preparatory to attacking the Soviet Union.

It asked that, in the event of a Soviet-Japanese war breaking out, Chinese Communists redouble their efforts to engage Japanese forces all over China at all costs fighting with Russia in a common front against Japan.

Meanwhile, official quarters in Chungking denied the story that Generalissimo Chiang Kai-shek is sending a million troops to Russia, pointing out firstly that the Chinese can best help the Soviet Union by fighting the Japanese in China; secondly that Siberia is too cold for the Chinese; thirdly that Outer Mongolia and the Chinese Communists are undoubtedly aiding Russia, for which reason it is unnecessary for the Generalissimo to send troops.

New Sumita-Decoux Agreement Reported
SHANGHAI, July 27 (UP).—The Shanghai "Mingpao" reports from Saigon that General Sumita had announced the conclusion of an agreement with Governor-General Decoux whereby the agreement reached between Admiral Darlan and Ambassador Kato at Vichy becomes effective immediately.

These were heavily engaged by gun-fire from the shore defences and eight were either blown up or sunk. None succeeded in entering the harbour.

"R.A.F. fighters pursued the re-

How E-Boat Attack On Valetta was Repulsed

LONDON, July 27 (British Wireless).—Some further details of the attack on Valetta harbour, Malta, yesterday morning are now available, states a joint Admiralty, War Office and Air Ministry communique.

"Shortly before 7 a.m. E-boats appeared off the harbour entrance. The fixed defences, manned by a military garrison, at once engaged the enemy. One E-boat blew up on being hit and four others were acting as cover for small torpedo-carrying craft which tried to break into the harbour.

"These were heavily engaged by gun-fire from the shore defences and eight were either blown up or sunk. None succeeded in entering the harbour.

"R.A.F. fighters pursued the re-

LATEST

N.E.I. Suspends Yen Business

Batavia, July 28 (Reuter).—The Java Bank has officially announced that yen quotations have been suspended.

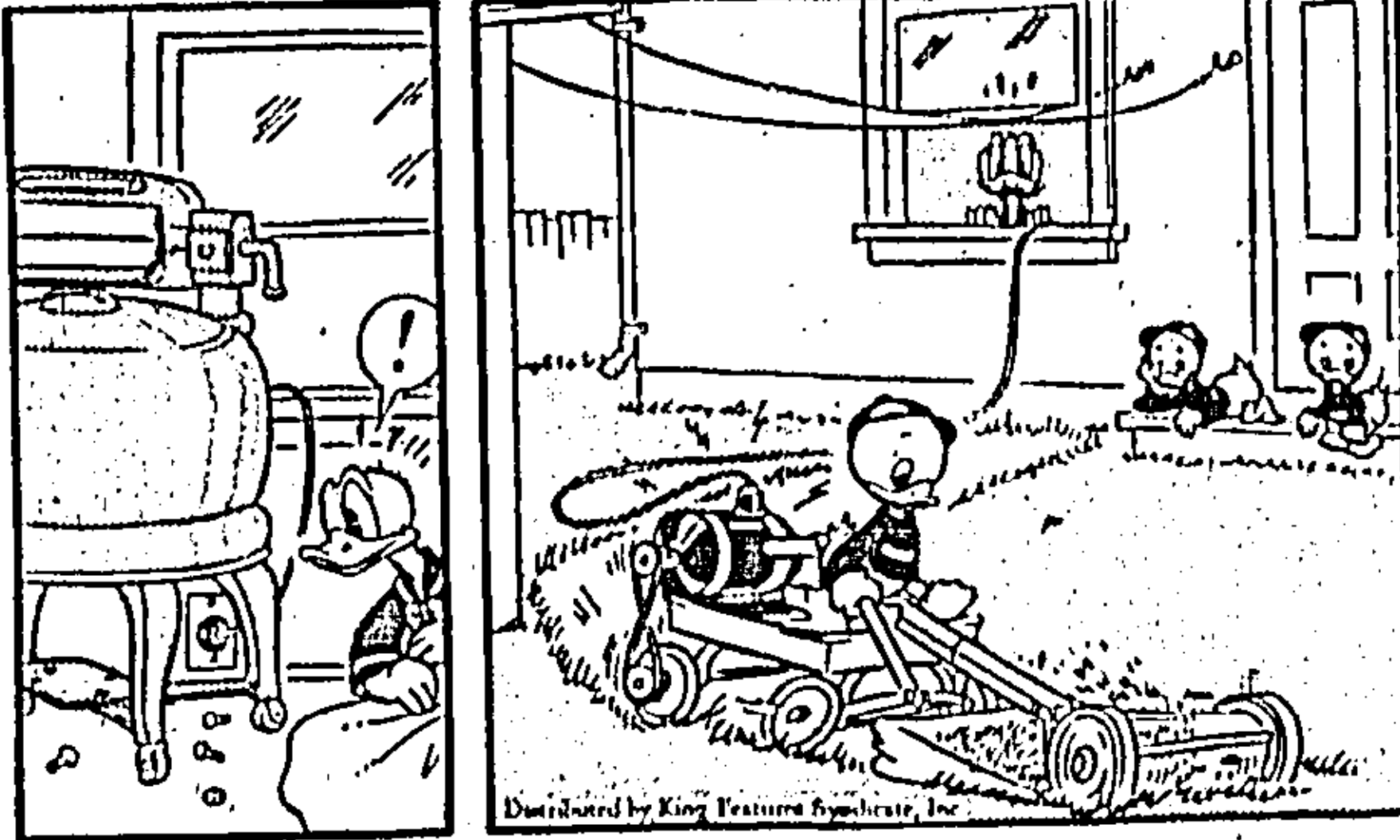
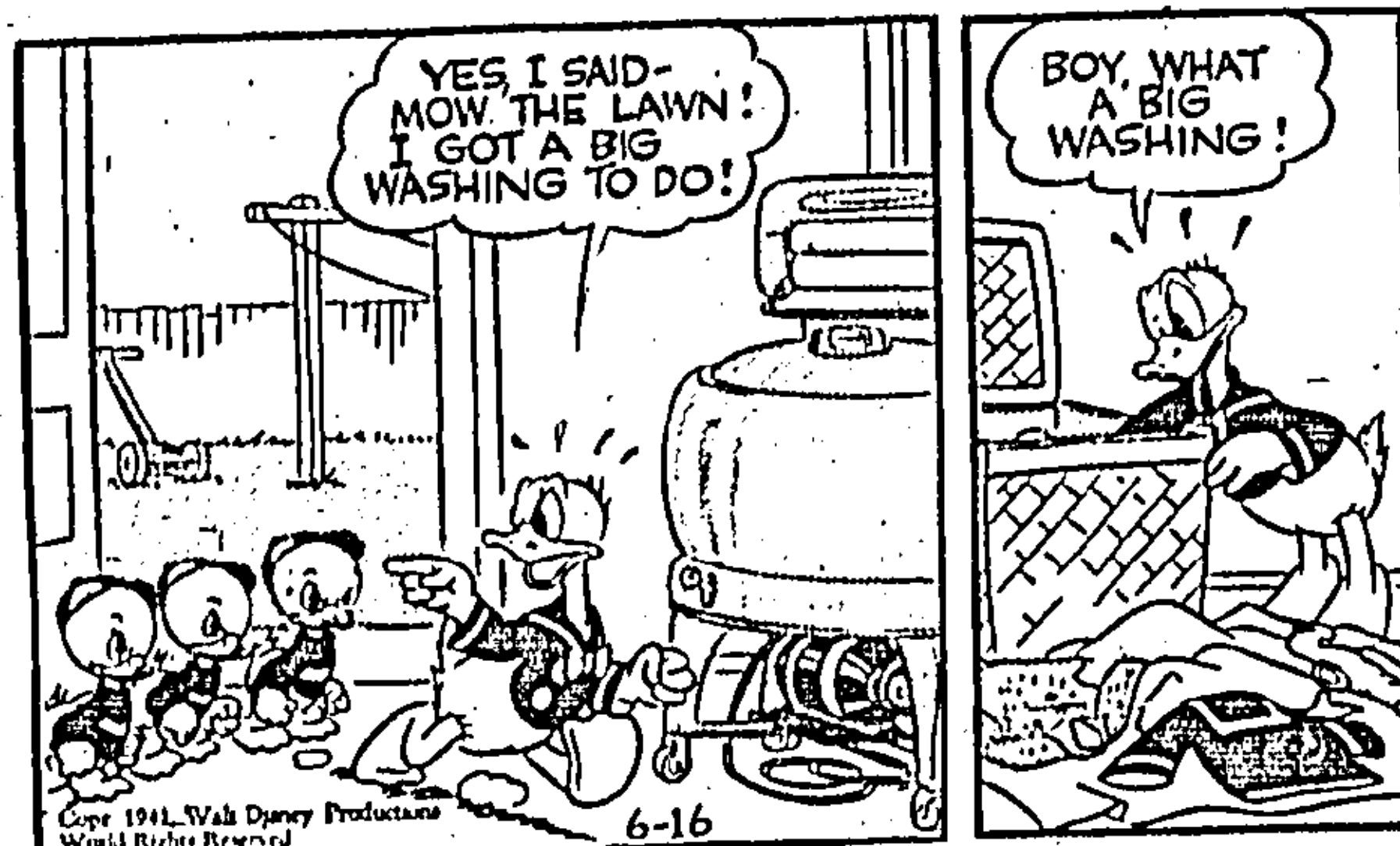
It is impossible to do anything possible to aid the British as a safeguard of ourselves."

He declared that American security depends on control of the Atlantic sea approaches, and therefore is contingent on the survival of the British fleet. "We would be foolish to the point of insanity if we failed to do everything possible to aid the British as a safeguard of ourselves."

He said that the United States fleet should be used to guarantee that shipping lines in the Atlantic remain open for deliveries of vital materials to Britain. Such a success may cost the United States losses on lives, but these losses would not be great as those involved in combating vicious Nazis.

See Back Page For Further Late News

DONALD DUCK



By Walt Disney

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(postage extra). Now on sale at
South China Morning Post Ltd.

NOTICE

DEFENCE REGULATIONS 1940.

The following rates will be charged for mailing single copies of the following newspapers abroad:—
South China Morning Post
China and Macao
10 cents per copy
British Empire and Foreign
20 cents per copy
The Hongkong Telegraph
China and Macao
10 cents per copy
British and Foreign
20 cents per copy
25 cents Saturdays.

The
Hongkong Telegraph
Eleventh Annual
Amateur Photographic
Competition

June—September, 1941.
Two Silver Trophies Awarded
by ILFORD LTD.

For the best and second-best entries.
Three Silver Trophies Awarded
by EASTMAN KODAK CO.

First Prizes in each of the
three Sections.

\$250 CASH PRIZES \$250

SECTION ONE

Interior scenes, Table Top and Still
Life Studies.

(Excluding portraits, plants and
and flowers).

1st KODAK SILVER TROPHY
2nd \$40. 3rd \$30. 4th \$10

SECTION TWO

Portraits.

1st KODAK SILVER TROPHY
2nd \$40. 3rd \$30. 4th \$10

SECTION THREE

Plants and Flowers.

1st KODAK SILVER TROPHY
2nd \$50. 3rd \$30. 4th \$10

RULES

The following Rules will govern the
Competition:

1.—The Competition is open to all
photographers.

2.—The entries awarded the Ilford
Trophies for the best and second-
best pictures in the Competition,
will not be entitled to any other
prizes.

3.—The prizes will be awarded to the
competitors sending in what are
adjudged to be the best photo-
graphs in each Section. Each
entry must be accompanied by a
form which will be published
during the period of the Com-
petition, and which must be
pasted on back of entry.

4.—The right to publish any or all
of the entries is reserved to the
Hongkong Telegraph.

5.—All photographs entered must
have been taken in the Colony
of Hongkong. Photographs which
have been already entered in
other Competitions are ineligible.

6.—No responsibility will be accepted
for non-delivery of, loss of, or
damage to entries.

7.—All entries to be either black
and white, or tinted pictures, and
must be mounted. Coloured photo-
graphs are ineligible.

8.—Pictures submitted in sepia tones
should be accompanied by a
smaller print in black and white.

9.—No picture to be entered in more
than one Section.

10.—Mounts to be only white or cream,
must be of one of the following
sizes:—10x12, 10x20.

11.—No correspondence will be entered
into connection with the Com-
petition.

12.—Members of the Staffs of the
Hongkong Telegraph and the
South China Morning Post are not
permitted to compete.

13.—The decision of the Judges shall
be final.

14.—At the conclusion of the Com-
petition, entries will be returned
to competitors on application at
the Telegraph offices within seven
days.

15.—The use of aliases is strictly
forbidden.

ENTRY FORM

NAME

SECTION

ADDRESS

Please use block letters and paste
one of these forms on back
of each Entry.

NEW ADVERTISEMENTS.

APPEAL FOR FUNDS FOR
ORTHOPAEDIC CENTRES
IN FREE CHINA

At the request of Madam H. H.
Kung and with the support of
His Excellency the Governor and
under the auspices of the British
Fund for Relief of Distress in
South China, an appeal is made
for funds for the purpose of
establishing and maintaining
Orthopaedic Centres for disabled
soldiers and civilians in China.
Cheques and donations may be
sent to the Hon. Secretary, Mr. M.
K. Lo, British Relief Fund for
Distress in South China, Alexan-
dra Building, marked Orthopaedic
Appeal or to the British Relief
Fund for Distress in South China,
Hongkong and Shanghai Bank
marked Orthopaedic Appeal.

H.K. Stock
Market

The following quotations were
issued on the Hongkong Stock Mar-
ket this morning.

BANKS

H.K. Banks \$.....x.d. 1,375 n.
H.K. Banks (H.K.) £.....77 n.
Chartered Banks £.....82 n.
Mercantile, A. & B. £.....23 3/4 n.
Mercantile C. £.....11 n.
East Asia \$.....75 b.

INSURANCES

Canton \$.....225 b.
Unions Ins. \$.....400 b.
China Underwriters \$.....1 n.
H.K. Fire Ins. \$.....185 b.

SHIPPING

Douglas \$.....120 n.
Steamships \$.....8 1/2 n.
Indo-China P. \$.....80 n.
Indo-China D. \$.....70 n.
Shell (Boulers) \$.....45/- n.
Waterhouse \$.....65 n.

DOCKS ETC.

Wharves \$.....15.00 n.
Docks \$.....15.00 n.
Provident \$.....5 1/2 n.
Shai Dockyards \$.....29 1/2 n.

MINING

Kallan s/-.....13/6 n.
Rauis \$.....8 n.
H.K. Mines \$.....2 cts n.

LANDS

Hotels \$.....3 1/2 n.
Lands \$.....35 1/2 n.
Lands 4% Debentures.....97 1/2 n.
Shai Lands Sh. \$.....10 n.
Humphreys \$.....7 n.
H.K. Realities \$.....3.30 n.
Chinese Estates \$.....101 b.

UTILITIES

Trams \$.....17.30 n.
Peak Trams (old) \$.....7 n.
Peak Trams (new) \$.....3 1/4 n.
Star Ferries \$.....63 1/2 n.
Y. Ferries \$.....22 n.
China Lights (old) \$.....6.05 n.
China Lights (new) \$.....1.40 n.
H.K. Electric (old) x. rts 22 1/2 n.
H.K. Electric (new) \$.....21 b.
H.K. Electric Rts \$.....11.20 n.
Macao Electric \$.....18 b.
Sandakan Lights \$.....12 1/2 n.
Telephones (old) \$.....23 n.
Telephones (new) \$.....9 n.

INDUSTRIALS

Cald: Macg. (Ord.), Sh. \$.....30 n.
Cald: Macg. (Pref.), Sh. \$.....25 n.
Canton Ice \$.....1 n.
Cements \$.....14.00 n.
H.K. Ropes \$.....8.00 n.

STORES

Dairy Farms \$.....19 1/4 n.
Watsons \$.....10.80 n.
Lane Crawford \$.....6.45 n.
Singer \$.....2 1/2 n.
Wing On (H.K.) \$.....39 n.
Wm. Powell, Ltd. \$.....1 1/2 n.

COTTON MILLS

Ewo Sh. \$.....41 n.
Shai Cotton Sh. \$.....305 n.

MISCELLANEOUS

H.K. Govt. 4 1/2%.....97 1/2 b.
H.K. Govt. 3 1/2% (1934).....94 1/2 b.
H.K. Govt. 3 1/2% (1940).....94 1/2 b.
Ch. Govt. 5% 1925 G.S.Bds.....42 n.
Entertainments \$.....6 1/2 n.
Constructions (old) \$.....1.60 n.
Constructions (new).....80 cts n.
Vibro Piling \$.....7.20 n.
Marsmans Inv. (Lon.) s/- 5 1/2 n.
Marsmans Inv. (H.K.) s/- 2 1/2 n.

INDIAN V.C. ON
LEAVE

BOMBAY, July 27 (Reuters).—
Second Lieutenant P. S. Bhagat, the
first Indian V.C. of the present war,
has arrived in India on two months'
leave.

Looking extremely fit, Bhagat re-
fused to say anything about himself
but was full of praise of the part
played by Indian troops in East
Africa.

Bombardier from the Bombay
station of the All-India Radio, he
spoke highly of the work of Indian
sappers at Keren, Telesan, Massawa
and Amba Alagi.

Wearing a miniature V.C. attached
to the dark red ribbon now Bhagat
will receive the Cross from the
King-Emperor.

RADIO

ZBW, 355 metres (845 k.c.) and 31.45
metres (9,520 kilo-cycles)

Light Variety & Dance
Programme

Radio Programme Broadcast by
ZBW on a Frequency of 845 k.c.s
and on Short Wave from 1.2-15 and
8.30-11.15 p.m. on 9.52 m.c.s per
second.

6.0 Indian Programme.
6.45 Closing Local Stock Quo-
tations.

6.47 Compositions of Maurice
Ravel.

Tzigane—Rhapsodie De Concert.
M. Z. Francescatti (Violin) with M.
Faure (Piano); "Miroirs No. 5"—La
Valse De Cloches; "Gaspard de la
Nuit No. 2"—Le Gibet, Walter
Gieseking (Piano); Ravel—Three
Songs; Trois beaux oiseaux de
Paradis; Nicolette; Ronde; The Lyons
Mixed Chorus cond. by Leon Vitelli;
Molero—The Lamoureux Orchestra
of Paris cond. by Maurice Ravel.

7.30 Light Opera Selections.

"The Miracle"—Selection (Hum-
perdick), London Symphony Or-
chestra; The Chocolate Soldier—
Vocal Gems (Stange & Oscar
Strauss); Intro: The Chocolate Soldier;
The Bulgarians; Tantalus; Thank The
Lord the War is Over, Falling In
Love, Forgive (Ensemble), That
Would Be Lovely, The Letter Song,
My Hero, The Columbia Light Opera
Company with orch.; The Beggar's
Opera—Selection (Gay—Austin),
The Regimental Band of H.M.
Grenadier Guards cond. by Capt. G.
Miller; "Wages of Hoffmann"—The
Legend of Klingsor (Offenbach).
Tudor Davies (Tenor) with orch.

8.00 London—The News.

8.15 London—War Commentary.

8.25 London—Listening Post.

Examination of Points in Daily
German Propaganda.

8.30 Programme Summary.

8.32 The New Mayfair Orchestra
with Gertrude Lawrence (Soprano).
Polka Medley; Intro: See Me
Dance The Polka—Polka Valera,
Blaze Away—Two-step, You're Not
The Kind-Fox-trot, I Want the Whole
World to Love You—Waltz, Take my
Heart—Slow Fox-trot, Sing, Baby
Sing—Quickstep, The New Mayfair
Orchestra; Gertrude Lawrence Med-
ley; Intro: Limerick Blues, You Were
Meant For Me, Do, do, do, Someone
To Watch Over Me, Cup of Coffee,
Wild Thyme, Experiment, G. Law-
rence with orchestra; Ragging The
Rags—A Selection of early Ragtime
Favourites; Intro: Grizzly Bear Rag,
Hunting Rag, My Little Toot, Toot,
Trot, Rag, Rag, Rag, Rag, Rag, Rag,
The New Mayfair Orchestra; Experiment
(from "Nymph Errand") (Cole Por-
ter); Gertrude Lawrence with or-
chestra; "Love, Life and Laughter"—
Selection; Intro: How Happy the
Lover, Riding on the Clouds, Cherie,
Love, Life and Laughter, The New
Mayfair Orchestra.

9.00 Local Time Signal and An-
nouncements.

9.05 Variety Programme.

Medley—Finch Favourites, No. 12;
Intro: The memory of a Rose, Ferry-
boat Serenade, Blueberry Hill, May-
be, Lovely Old Lady, Goodnight
Again, Horace Finch (Organist);
Vocal—Birds of a Feather, You're
Dangerous (Both from film "Road to
Zanzibar"), Bing Crosby with or-
chestra; Organ & Piano—Old
Favourites; Medley; Intro: These
Foolish Things, Japanese Samdan,
Sweet Sue, Smoke Gets In Your
Eyes, Louise, Somebody Stole My
Gal, Robinson Cleaver (Organ) and
Patricia Rossborough (Piano), Enter-
tainer—Dear Old Fashioned Thing,
Norman Long with piano; Vocal:
The Beautiful Bearded Lady, Don't
Go in the Lion's Cave to-night, Zora
Layman with the Homeowners and
orch.; Piano—Charlie Kunz Piano
Medley, No. D.42; Intro: I'll Never
Make the Same Mistake Again,
Lovely Old Lady, Sierra Sue, All the
Things You Are, Until You fall In
Love, I'm Nobody's Baby, Charlie
Kunz with Rhythm accompaniment; Vocal:
Cheerful (from "Apple Sauce")
and Ben Lyon with orchestra; Vocal: Hot
Sa Bonnie (Froben, Alexander), The
Merry Maes with orchestra.

9.45-10.00 News in French (on
Short Wave only).

9.45 Piano Duets by Young and
Forsythe.

Dance "Hits", Intro: I Double
Dare You, Sweet As A Song, Mama,
Wanna Make Rhythm, Thanks For
The Memory, Two Dreams, Col. Se-
gether, Don't Ever Change, Rumbas
on Toast; Intro: La Cucuracha,
Mama, Inez, The Carols, Silbony,
Tony's Wife, Side Walks of Cuba,
Green Eyes, When Yuba Plays The
Rumba on the Tuba.

10.00 London—The News & News
Commentary.

10.15 A Dance Programme.

11.0 London—"News from Home"

—H. Marshall.

11.15 Close Down.

Suicide Of Exiles

SPECIAL TO THE "TELEGRAPH"

LISBON, July 27 (UP).—It is

learned reliably that there have

been at least seven suicides

among expatriated Consular

officials and families.



YOUNG CHINA — This is type of Chinese Boy Scout, who
pledges allegiance to New China, of which he is important
part, whose education will be fostered by United China Relief
funds. Campaign aims to raise \$5,000,000 in U. S.

Japanese Interests In
Colony Now Frozen

Although the total amount of Japanese assets in Hongkong
is unascertainable, it is believed to be considerable, says "Central
News". The Mitsui Bussan Kaisha and the Mitsubishi Shoji
Kaisha, two of the largest Japanese commercial establishments,
the Nippon Suisan Kaisha, the Osaka Syosen Kaisha and the
Dairen Kisen Kaisha, three large Japanese shipping companies,
and the Yokohama Specie Bank and the Bank of Taiwan all
have branches here.

Besides, there are also a number
of Japanese shops dealing mainly in
lacquer goods and porcelain in the
Wanchai area. All these will suffer
from the Hongkong Government's
freezing order.

Japanese trade with the Colony
has been voluminous during the past
few years. Japanese piece goods,
paper, dyeing materials, and sea food
have a great market here.
Hongkong has also been an im-
portant port of call for Japanese ships
in recent years. The diversion of the
25,000-ton luxury liner Nitta Maru
and the Nagato Maru, both of which
were due to arrive here yesterday,
has thus aroused considerable
interest.

Indo-China Trade
The majority of the Chinese mer-
chants are adopting a "wait and see"
attitude and withholding orders

Scientists Work For
Defeat Of Hitler

A thousand scientists in Britain, between 100 and 200 in
Canada, and hundreds more in the United States have "de-
clared war" on Hitler and are working co-operatively, and at
top speed, to turn out new and more deadly weapons and
machines of war.

In Britain and Canada, hundreds
of these scientists have joined the
active services and wear the uni-
form of the navy, army and air
force. But hundreds more are
working in research labora-
tories scattered throughout the Brit-
ish Isles.

This work by the scientists of
three great nations requires the
strictest supervision and co-ordina-
tion, to prevent wasteful duplication
of effort.

The man who has been the co-
ordinator or liaison officer as he calls
himself, for the past two months is
Sir H. Lawrence Bragg.

Undisputed Superiority

"My department, attached to the
British ministry of supply, acts as a
connecting link between the sci-
entists of Britain, Canada and the
United States," Sir Lawrence said
during an interview.

Sir Lawrence intimated that the
scientists of the three nations are
seeking new war weapons which will
eventually give them undisputed
superiority over the Axis powers.

But he refused to discuss the
nature of any discoveries already
made or pending.

Sir Lawrence is an able scientist
in his own right, and in 1916 he won

Exchange At
A Glance

SELLING

T.T. London1/2%
Demand London1/2%
T.T. Shanghai455
T.T. Singapore62 1/4
T.T. Japan102 1/4 n.
T.T. U.S.A.24 1/2 n.
T.T. Manila48 1/4
T.T. Batavia45 1/4
T.T. Bangkok140 1/2
T.T. Saigon05 1/2 n.
T.T. Switzerland103 n.
T.T. Australia1/8 1/2

BUYING

4 m/s L/C London1/3 1/4
4 m/s D/P London1/3 1/4
4 m/s L/C U.S.A.25 1/4
4 m/s France04 1/2
30 d/s India04 1/2
U.S. Cross rate in London 4.02 1/2
U.S. Cross rate in N.Y.

War Curbs
Gambling
In Britain

Lack Of Opportunities
The Chief Cause

LONDON.—Though Britain spent
considerably less on gambling dur-
ing 1940, according to the seventh
Annual Report of the Churches'
Committee on Gambling recently
issued here, this was due less to a
change in outlook by the gamblers
than to lack of opportunity because
of wartime conditions.

Several protests were made to
the Government during the past
year, and certain restrictive mea-
sures were taken. Reference was
made to the resumption of horse-
racing, the continuation of grey-
hound racing, the amount of time,
money, and newspaper devoted to
football pools, and the growth of
night clubs for officers and men on
leave from the Services.

One special problem resulting from
the war and taken up by the Com-
mittee has been the question of
gambling in air raid shelters. While
admitting that this was confined to
small groups, the Report maintains
that it was too prevalent to be
ignored. Incidentally it is interest-
ing to note that the statement on
this question drawn up by the Com-
mittee and addressed to church and
social workers played a definite part
in the movement for improving con-
ditions and introducing a better
moral atmosphere into shelters.

The Committee is still able, de-
spite wartime difficulties, to collect
facts and figures relating to every
form of gambling, and hopes to
serve as an international clearing
house for data on gambling prob-
lems.

Scientific
Secrets
Rescued

LONDON.—Rescuing valuable
scientific secrets from under the noses
of invading Germans provided ex-
citing episodes in the life of the Earl
of Suffolk, killed in an enemy air
raid on London.

A famous official report, now in
the hands of government authorities,
tells stories rivaling the adventures
of the "Scarlet Pimpernel," and
supplies important scientific infor-
mation.

Lord Suffolk was appointed to the
ministry of supply's scientific depart-
ment in France when war broke out
and held that post until the collapse
of France.

Vital Chemical

A close friend said: "When the
Germans went into Norway they knew
of a vital chemical was in danger
of falling into their hands. He set on
to rescue it. Until the report of his
amazing journey through territory al-
ready partly occupied by the enemy
is published, after the war, nobody
can guess the risks he ran or the
adventures he had."

The friend added that the sci-
entific peer also saved "a consignment
of another secret chemical and a bag-
ful of diamonds from Paris more or
less under the noses of the invaders."

Tallulah Divorced

RENO, Nevada, June 14.—Tallulah
Bankhead, stage and screen star, has
divorced John H. Emery for "cruelty,
entirely mental in character."

BANKS

THE CHARTERED BANK OF
INDIA, AUSTRALIA & CHINA.

Incorporated by Royal Charter 1853.
Paid-up Capital£2,000,000
Reserve Fund£2,000,000
Reserve Liability of Proprietors £2,000,000

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Bombay, Hongkong, Ipoh, Penang,
Calcutta, Hongkong, Ipoh, Penang,
Canton, Hongkong, Ipoh, Penang,
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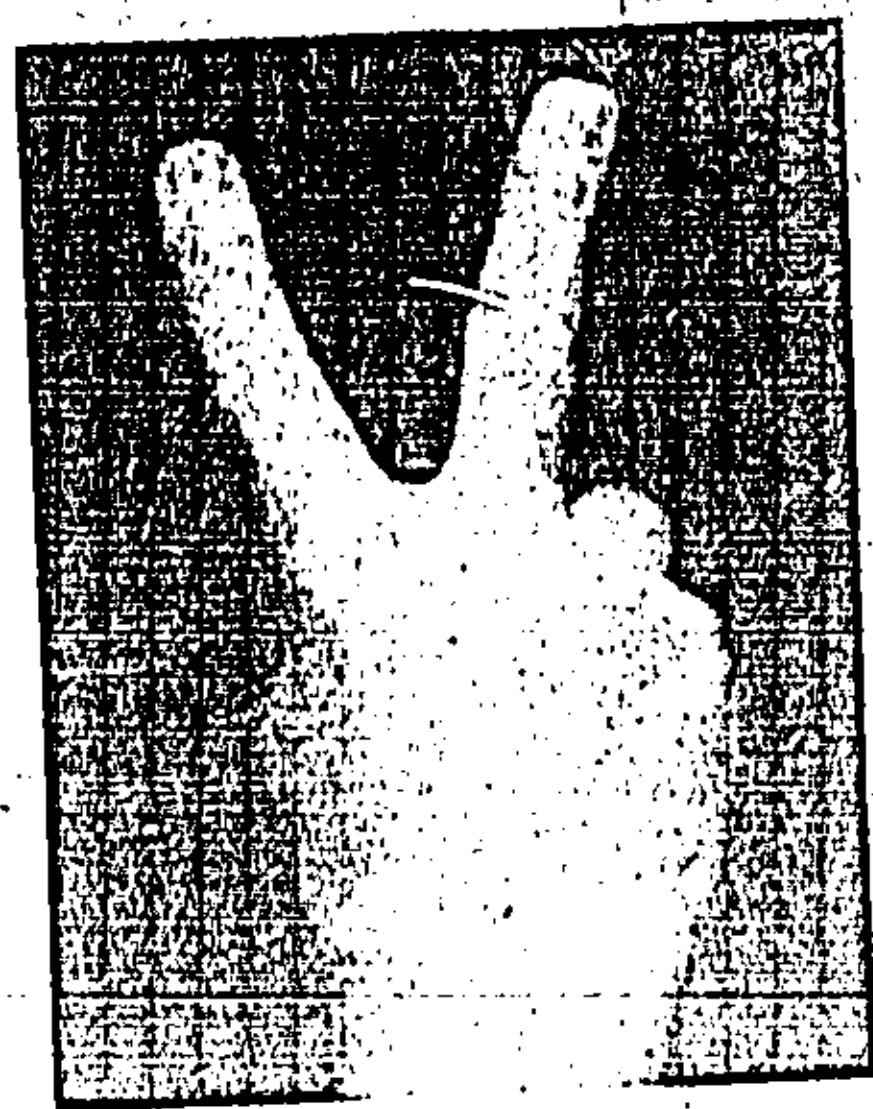
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The Hongkong Telegraph

Monday, July 28, 1941.

Wyndham St., Hongkong

Telephone: 28615

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LET US BE READY

THE time has come when Hongkong must get rid of its casual and sceptical attitude to political and military events in the Far East, and to assess calmly and dispassionately the possible developments of the future and their relation to the Colony. Britain and her Empire, including Hongkong, have, in common with the United States taken steps during the week-end which renounce the previous policy of appeasement vis-a-vis Japan. The meaning behind these actions is clear: Japan must cease her aggressive designs in the Pacific, or take the consequences.

We in Hongkong welcome that decision. Many, in fact, feel that it has been too long delayed. There will be no shrinking from the consequences, whatever they may be. Both the local authorities and the Imperial Government can feel assured that the whole-hearted loyalty and willing support of the community will be given under any circumstances. The general hope, however, will be that the moves made by the United States and the Empire will be sufficient to deter Japan from doing anything that will make it necessary for the present economic sanctions to be implemented by more serious action. Japan has still to make an irrevocable and fatal decision, and there is no reason why the more moderate political influences should not prevail in her councils and a tragedy avoided. The next move belongs to Japan.

In the meantime, Hongkong has her position to consider. From the physical point of view it has long been unenviable, assuming that developments at any time should take a grave turn. But our defences against an invader are good and are aided by strategical advantages. But there are, within the Colony, dangerous elements, made possible very largely through the freedom with which people have been able to move both in and out of the place. Those elements—fifth columnists of the worst type—have shown their hands on more than one occasion lately in a way that suggests they have plenty of confidence in themselves and their organisation. The task of rounding up and eliminating these people is a heavy one, but it has to be tackled, and with all the vigour of the Colony's command. The general public can help a great deal, firstly by eschewing their "muskie" attitude, secondly by keeping their ears and eyes open to subversive words and deeds; thirdly by reporting suspicious persons to the authorities. This is no time for complacency; rather, precautions which prove unnecessary than no precautions at all. If, in the final analysis, Hongkong is to be drawn into an armed conflict, let us be as prepared as possible to meet the emergency.



Stepping from her "Maizie" characterisation for the first time in some months, Ann Sothern in her new picture, to be shown in Hongkong to-morrow, is seen as Dulcey, a wealthy girl with a heart of gold and a penchant for getting herself and everyone whom she contacts into trouble. The picture is based on the famous stage comedy of the same name by George S. Kaufman and Marc Connelly; this serial adaptation is by Randall M. White.

CHAPTER FIVE

GLOOM ONE—COULD SLICE with a knife was the principal item on the menu for breakfast next morning at the Ward lodge.

True to his promise of the night before, C. Roger Forbes came downstairs looking for boat and train schedules and ordering his wife and daughter to pack.

Bill and Angela in one combination, and Gordon and his motor in another, were a lot worse off than when they started, as regards Mr Forbes' approval of their cherished plans.

Dulcey ought to have been in complete despair—but she wasn't. Failure was a word she knew little about. That she had no coherent or logical plans to save what seemed to be a hopeless situation didn't mean that something wouldn't "turn up"—it almost generally did, for better or for worse.

Gordon announced his departure for the city as soon as he could locate Sneezy, who seemed to have strayed away somewhere. He told Dulcey he was sure "Forbes would rather fly his planes with rubber bands" than with a motor that had his name on it.

BILL, TIRED OF DULCEY'S FUMBLING EFFORTS

in his and Angela's behalf, decided to try a plan of his own. He found the girl he was determined to marry alone in the library hiding from her father's latest storm.

"Listen, darling," he said quickly. "This looks like our swan song unless we do something about it. We've got to do it now—this minute—or else!" Reluctantly Angela agreed to brave her father's wrath and elope, within the hour, with the young man of her choice.

"We'll leave your father a note," Bill said. "He'll know

about it before we are married—but he won't be able to do anything about it."

Angela wrote the note. Bill found Dulcey on the terrace. "Where's Henry?" he asked. "I've something important I want him to do for me."

"Henry isn't here," was his sister's entirely non-co-operative answer.

The time was short. Bill hurried Dulcey over to a secluded corner and whispered: "Then I want you to do me a favour."

"No more favour for anyone—I've reformed," was Little Miss Fix-it's sorrowful reply. Bill had heard that before. He sincerely wished it were true—but he was absolutely certain it wasn't.

"See this letter," Bill whispered as he pushed a plainly-addressed envelope into his sister's unwilling hands. "Give it to Mr Forbes—but not one second before he gets on the boat to go to the train!"

"Why... what's in it?" Dulcey asked, hanging back.

"Oh, for the love of Pete, you don't have to know," Bill answered. "But it has some... secret plans for a new kind of... amphibian. And, if you value your life, don't you mess up this job!"

Dulcey thought it strange that Brother Bill kissed her hurriedly and said goodbye.

"Sit down, please, and I'll fix some for you right away," said Dulcey.

CONTRACT BRIDGE

How to Play AND How to Win

By JOSEPHINE CULBERTSON

NO bridge writer likes to publish hands in which vice, in the shape of atrocious bidding, is triumphant. Yet, in the interests of truth and verisimilitude, such cases must be reported from time to time. After all, bridge is not an absolute science; the element of luck is not inconsiderable. Note to-day's hand.

North dealer.
Both sides vulnerable.

♠ A Q 7 4
 ♥ A 7 4
 ♦ Q J 6 4
 ♣ Q 8

♠ K 10 8 3
 ♥ K 8
 ♦ K 10 7 5
 ♣ 4 2

♠ J 8
 ♥ J 10 2
 ♦ 10 7 3
 ♣ A J 9 8 6

The bidding:
 North East South West
 1NT Pass 3♥ Pass
 3NT Pass 4♥ Pass
 6♥

This bidding was actually produced in a rubber game by two players whose long experience should make them considerably above average. In this case, however, skill was at a discount and luck at a tremendous premium. The final contract was nothing short of atrocious.

No great fault can be found with the opening two notrump bids, despite the comparative weakness in clubs, nor can the three heart rebids be severely censured, although, since South obviously intended to bid his hand twice, if necessary, it is strange that he did not first mention his higher ranking major suit, spades.

The first tremendous bit of luck, and by the North-South pair was that North's weakness, clubs, happened to match South's void. After all, North never mentioned diamonds, hence from South's point of view, it was more likely that North had greater strength in clubs than in diamonds. Thus when North, having heard his partner's three heart takeout, persisted with three no-

trump, South might well have based on the assumption that North was counting on a long and solid club suit. As to North's jump to six hearts, in the face of an unknown club situation—well, it is hard to find words for this action!

West opened his singleton diamond—not that any other lead would have changed the result. Dummy won, the heart ace was cashed, and a low heart was led toward the closed hand. On East's follow-suit play of the heart ten, declarer made the correct guess of ducking. (This was the first hurdle that declarer had to clear in the play.) East might easily have held the K-10-2 of hearts and made the same low play on the second lead. West had to win with his heart king, and no return could defeat the contract. Actually, he shifted to clubs, but declarer ruffed East's ace, drew the last trump, and then took the spade since declarer could discard only three spades on dummy's diamonds.

I scarcely need say that the defenders felt, and with justification, that they had been abandoned by the bid in this deal. First, the bidding had been ridiculous; second, the trumps had to be marvellously for the declarer, and third, the spade finesse had to succeed.

To-morrow's Hand

North dealer.
Rubber bridge.
Neither side vulnerable.

♠ Q 8 4 3
 ♥ 8
 ♦ A J 10 8 2
 ♣ A 7

♠ 5
 ♥ J 10 8 6
 ♦ 7 5 4 3
 ♣ J 10

♠ A 6
 ♥ A K Q
 ♦ 7 5
 ♣ 8 6 5 3

♠ K J 10 9 7 2
 ♥ 9
 ♦ K Q 9 8
 ♣ K 4

How should East-West defend against South's contract of five spades doubled?

WHAT HAS GONE BEFORE

Dulcey Ward (Ann Sothern), whose "heart is where her brain should be," is always trying to help people—and messing things up. C. Roger Forbes (Ronald Young) is guest of honour at a house party Dulcey has arranged. Mrs Forbes and Angela (Billie Burke and Lynn Carver) are with him. Dulcey's brother Bill (Dan Dailey, Jr.) can't overcome Forbes' objections to his marrying Angela. Gordon Daly (Ian Hunter), whom Dulcey has met by accident and with whom she has fallen in love, is present at Dulcey's request to try sell an aeroplane motor he has invented to Forbes who owns Forbes Aircraft. A mildly deranged stranger who crashes a plane in the lake near the lodge has joined the party; he represents himself as Schuyler Van Dyke (Reginald Gardiner), financier. Forbes is leaving after a series of mishaps which has enraged him. He's seen Gordon's motor (with a vital part missing) and has refused to buy it.

"Oh, er—say ten thousand dollars and a later contract on a twelve percent royalty basis," continued Van Dyke expansively.

HAD THEY BEEN LESS INTERESTED in the exciting business deal they were consummating the trio in the bathhouse might have observed an interesting incident on the dock just outside the door.

A launch pulled up and a man with a travelling case prepared to get out. It was Homer Patterson.

"What makes you so sure I'll find my brother here?" he inquired of the boatman who had brought him.

"You said he was a loony-bug, didn't you?" the countryman returned.

"Well, er—er," Patterson stammered in embarrassment.

"Then, if he ain't at this place I'm gonna be very surprised," was the cryptic response.

"You say the back entrance is this way? I don't want to startle or embarrass anyone," Patterson remarked as he stepped ashore and the boat pulled away.

"Hey! Hey! Come back here!" shouted Mr Forbes as he came running down from the lodge. He was still murmured—wailing—and he thought the launch was the one he had summoned to rescue him.

The aeroplane manufacturer was the first person Dulcey met when she came out of the bathhouse with Gordon and Van Dyke. She'd have shouted her glad tidings to the cook, the gardener, or the stable boy if anyone of them had been the first. "Oh, Mr Forbes! Guess what!" she cried as she grabbed hold of him and blocked his way.

"Please, Miss Ward," he growled. "I'm in no mood for guessing games. Let me through."

"Mr Van Dyke's going to back Gordon's motor," she continued excitedly.

"Here's a check for a sixty-day option," broke in Gordon who was riding the same high, fast-moving cloud.

The big, shrewd business man's thinking apparatus did a sudden and complete somersault. He dropped the bag he was carrying, fairly grabbed the check from Gordon's then turned to Van Dyke.

"Have you seen the motor?" he asked incredulously.

"Absolutely!" the pseudo financial and industrial wizard orated with sweeping gestures. "In six months' time your planes will be obsolete. This motor is one of the greatest boons to the present day aeroplane business. I predict, Mr Forbes, that in exactly one year from this very day you will be a broken man!"

Don't miss the final chapter to-morrow.

GRIN AND BEAR IT By Lichty



"Is that all it says?—just that you're graduated? Aren't there any further instructions?"

Soviets Continue Magnificent Defence

LONDON, July 27 (Reuter).—The latest news from the Russian front received by authoritative quarters in London shows that during the past week, the opposing lines remained practically unchanged with the Russian forces putting up a magnificent defence.

There has been virtually no change in the position from the Arctic to the Black Sea. The only advance worth mentioning has been a very slight one by the Germans on the Finnish front, but this is so slight that it can be regarded as having no military significance.

News of the annihilation of two German divisions is claimed to be a very severe setback to the German invaders, but it is pointed out that with the huge numbers of men now taking part in the fighting, it must not be regarded as a major defeat for the Germans.

Battle of Smolensk

MOSCOW, July 27.—“We cannot yet give particulars about the vast Smolensk battle but we shall do it as soon as we have finally beaten the Germans there,” declared the Vice-President of the Information Board, M. Lozovsky, at his press conference to-day.

“It is a battle that will be studied for many years,” he added.

Speaking of raids on Moscow, he reiterated that only a small percentage of German planes broke through to Moscow and that most of them perished. He thought that the Germans could not keep it up.

Remarking on the fact that many German bombers were brought down near Moscow with much petrol aboard, he said that the Germans were mostly obliged to operate from distant bases, and new aerodromes near the front being subject to continuous bombing, the destruction of German machines.

Slovak Surrender

Reverting to the land war, M. Lozovsky said: “We inflict enormous casualties in killed and wounded and also take many prisoners.”

He also declared that details would shortly be given of the surrender of an entire Slovak mechanised regiment.

“The blitzkrieg is a wash-out,” he added. “When we declared in the days following the surprise attack that the loss of certain territories was not vital, some people thought that we exaggerated. But the Soviet Union, with scores of industrial centres, can afford to lose a small proportion of territory.”

I asked M. Lozovsky for particulars of the bombing of the Ploesti pipeline, the centre of the Rumanian oil fields. He smiled, saying: “Ploesti, there is nothing left but the name.”

FRANCO-JAPANESE TREATY

TOKYO, July 27 (Reuter).—The Franco-Japanese agreement for the “joint defence” of French Indo-China will be discussed at a committee meeting of the Privy Council on Monday.

It is expected that the agreement will be ratified during Monday afternoon at a meeting to be held in the presence of the Emperor.

Pressure On Thais To Join New Order?

SPECIAL TO THE “TELEGRAPH”
CHUNGKING, July 27 (UP).—Military authorities have released a statement that reliable reports affirm Japan has demanded that Thailand join the “New Order in East Asia” block.

The Japanese promise Thailand the Indo-Chinese provinces of Laos and Cambodia.

It is also said that 20 fully loaded transports left Canton on July 20 and July 21 in a southwesterly direction.

The reports state that the Japanese are concentrating troops on Hainan Island and Formosa but so far none have been transferred to the north. The suggestion is therefore, that they will be used to threaten or attack Thailand.

Szechwan Suffers Its Biggest Raid of Year

SPECIAL TO THE “TELEGRAPH”
CHUNGKING, July 27 (UP).—The biggest raid on Szechwan this year took place to-day when, it is reported, 108 bombers and pursuit planes from Central China swept the heart of Szechwan, and bombed a number of cities, including the provincial capital of Chengtu where many establishments are known to be situated.

Chungking had an air raid alarm early in the morning and the “All Clear” was not sounded until nearly six hours later, at 2.15 p.m.

Japanese bombers swept across the edge of Greater Chungking but

Grim War Games In Britain

LONDON, July 27 (Reuter).—At dawn to-day, the biggest “invasion” exercises ever staged in Britain began in and around Reading.

While “German” planes roared over the town and parachutists descended, Fifth Columnists endeavoured to create a diversion. At the same time, air-borne troops equipped with armoured vehicles landed in the neighbourhood.

Home Guards and the Fire Service and all other branches of the civil defence services took part. Home Guards, particularly distinguished themselves in the clever use of local knowledge to delay the “invaders” pending the arrival of heavily armed infantry.

All Devices Used

Smoke screens, gas tanks and all modern methods were introduced. London and Nottingham have also witnessed to-day large scale invasion exercises. Both in London and Nottingham, spectators witnessed fierce street fighting between “invading” tanks and Home Guards.

CLASH OVER STRAITS OF DOVER

LONDON, July 27 (Reuter).—An air engagement took place over Dover Straits this afternoon.

A British Air Ministry communiqué stated: “During an offensive patrol over the Straits of Dover this afternoon, our fighters engaged a formation of enemy fighters. One of the enemy was destroyed and several others were severely damaged but were not seen to crash because of low clouds and therefore their destruction could not be confirmed.”

“One of our fighters is missing.”

U.S.-Anglo Act Delights Chungking

CHUNGKING, July 27 (Central News).—A Government spokesman to-day expressed gratification at the prompt and energetic measures taken by the British Government with the support of other members of the British Commonwealth and the Government of India to counter Japan's fresh aggression in Indo-China.

The severance of all trade relations between the British Empire and Japan and the freezing of Japanese assets which followed so closely a similar action taken by the United States Government, the spokesman said, not only deal the most serious financial and economic structure but also demonstrate the ever-increasing solidarity among the Democratic Powers.

China welcomes this strengthening of the anti-aggression front in the Pacific area as elsewhere, the spokesman added.

British Nationals Not To Evacuate Shanghai

CHUNGKING, July 27 (Central News).—Reports that British nationals in Shanghai are preparing to evacuate the city are denied by responsible British quarters there, according to a dispatch received here.

These quarters, the dispatch says, characterize the reports as malicious propaganda and believe that Shanghai as a metropolis of international character will not be affected despite the present changes in the world situation.

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British Nationals Not To Evacuate Shanghai



The American Red Cross recently sent 3,200 bags of wheat and rice to Hongkong for distribution among war refugees in China. Of this amount, 800 bags were allotted to Kwangtung. Picture shows representatives of various Kwangtung districts with a cargo of grain that was shipped to the interior last week. (Photo: New China Newsphotos).

U.S. Warships Guarding Atlantic STIRRING WORDS OF ENCOURAGEMENT AND HOPE FOR BRITAIN

LONDON, July 27 (Reuter).—“To-night British and American warships are patrolling the Atlantic on parallel lanes with only one object in view, namely to guard the world's life-line,” said President Roosevelt's personal envoy, Mr Harry Hopkins, during a broadcast from London to-night.

Mr Hopkins mentioned that the bomber in which he flew the Atlantic recently was accompanied by 20 other bombers and he declared that thousands of American aircraft have already been flown across the Atlantic or had been shipped to Britain.

“I came here on business which is the same as that of every other American down to the man who drives a rivet in shipyards or runs the lathe in aeroplane factories—the business of safeguarding our heritage of freedom of thought and action.”

Mr Hopkins declared: “Right now Hitler is seriously threatening this heritage of ours.”

President Roosevelt, speaking for the American nation, is rendering more than lip service to Britain. Even now American destroyers are plunging their bows into the waters of the North Atlantic. Once this mighty ocean separated us. Now it joins us. The President is at one with Mr Churchill in determination to break the ruthless power of the sinister psychopathic of Berlin.”

Unbreakable Bridge

After declaring that he had carried out President Roosevelt's instructions to find out just what Britain needed now and whether cargoes were arriving safely, Mr Hopkins continued: “To-day the Atlantic is merely a channel. A bridge of friendship spans it. A bridge of sympathy and admiration extends from Washington to London and although unseen, it is so strong that all the powers of darkness and Nazi terrorism cannot destroy it. We no longer measure distance in miles. The Hun is only 21 miles from Dover, yet he and his pagan ways were 2,000 years away from Dover.”

“Like most Americans, I feel that your fight is the fight for the freedom of the whole world and that it must not and will not fail. At one time you received messages of good-will from America. The President realised that that was not enough. He realised that sympathy is human but that a flying Fortress can drop more bombs. He knew that admiration was pleasing but that a destroyer could drop death charges.”

Figures Withheld

“The Lease and Lend Bill was the answer, putting our admiration and sympathies into a tangible form and providing a weapon against a tyrant—against a man who would enslave our democracies.”

“Until now Britain has not been told just what help America has given. Publication of the exact figures might give the enemy valuable information and jeopardise the Atlantic life-line.”

“Now that life-line is much stronger. No enemy action can now stop the ceaseless line of ships coming here daily, laden with something much more substantial than hopes and sympathy. During the past few months, thousands of American-made aeroplanes have been flown across the Atlantic or shipped to Britain. A vast programme for building thousands of giant Boeing four-engined bombers is far advanced and Hitler will not be able to move his factories far enough to escape their devastating power of destruction.”

Ceaseless Toil For Britain

“America has already sent several hundred tanks throughout your empire. Many more are on route. Ocean-going ships, many of which are oil tankers, have been transferred to Britain. The greatest merchant ship-building programme ever undertaken is in progress. Riveting never stops night and day.

“We can promise that there will be ships to carry food, oil and ammunition.”

“To-day American-made tanks are atterpiling over the sands of the eastern deserts. To-day every kind of American-made aeroplane is coming into combat wherever the conflict rages. To-day American-made aeroplanes are in full production using machine tools made in America.”

A Modest Part

“Yet we realise that our part to-day has not been great. Our contribution has been but a modest part

Gambling School For Women

A raid carried out by Det. Sergeant A. Shaw and a party of Police on Saturday resulted in the discovery of a big gambling school for dice at a house in Kweilin Street, Shamshui, and the arrest of 16 women.

Cheng So, 56, and Chu Mui, 31, both married women, charged with keeping a gaming house, had their bail of \$75 extracted when they failed to appear before Mr H. C. Macnamara at Kowloon Magistracy this morning.

Fourteen women, who were charged with gambling, each had their bail of \$5 extracted. Table money of \$112.65 picked up was ordered to be placed in the Poor Box.

Theft Of Cigarettes

B.A.T. Press Case
Three employees of the British-American Tobacco Factory at Gloucester Road and an unemployed man were charged before Mr H. G. Sheldon K.C. at Central Magistracy this morning on counts of theft and conspiracy to steal.

Defendants were Lo Kwai, 21, coolie, Kwok Wing, 21, coolie, and Lan Tuk-kai, liftboy of the factory, and Au Fung, 20 unemployed.

Second and third Defendants were charged with larceny of 20 packets of Capstan cigarettes. Fourth Defendant was charged with receiving the cigarettes and all the Defendants were charged with conspiracy to steal the cigarettes.

First and second Defendants pleaded guilty to the charges and were each fined \$150 or two months' hard labour. Third and fourth Defendants were discharged owing to insufficient evidence.

Information

It was alleged that about noon on July 21, a Chinese detective acting on information went to the vicinity of No. 9 Chi Sing Lane, Wanchai, and saw second Defendant hand over a parcel wrapped up in newspaper containing cigarettes to the fourth Defendant. When questioned second Defendant replied that the cigarettes were taken from the British-American Tobacco Company. Following further inquiries the Defendants were arrested.

In the witness-box, fourth Defendant stated he did not know the cigarettes were stolen and said that second Defendant gave him 30 cents to deliver the cigarettes to an address in Hollywood Road.

Second Defendant corroborated and added that when he stole the cigarettes and took them down the lift third Defendant was not present.

Mr W. A. MacKinnon, who prosecuted, said he was asked by the Company to press the case.

Overseas Chinese Support C.I.C.

CHUNGKING, July 27 (Central News).—Overseas Chinese in America are giving enthusiastic support to the Chinese Industrial Co-operatives Movement, according to a report received here from Mr Hubert Liang, Director of the Promotion Department of the C.I.C. Headquarters.

Mr Liang has been in the United States since last March to assist in the raising of funds for China relief and to report to overseas Chinese and foreign friends on the progress of the C.I.C. Movement in China.

On May 30, a C.I.C. promotion committee was formed by leading Chinese in America with Messrs K. C. Li, Yang Tien-fu, Szeto Mel-ling, Dr Lin Yu-tang and seven others as members.

Honolulu Committee
In the same month, a promotion committee was also established at Honolulu with Mr Tu Hui-sheng as Honorary Chairman, Mr Chen Shao-hsiang as Chairman and Mr Teng Ti-en as Vice-Chairman.

In order to strengthen the promotion work, the C.I.C. Headquarters has invited certain overseas Chinese leaders to be Directors.

A small fire broke out at No. 14 South Wall Road, Kowloon City, yesterday, and was put out by the occupants before the arrival of fire appliances.



Manhattan PYJAMAS

Made from light summer weight materials, cut loose and easy and all fitted with the BAND OF COMFORT waistband.

Short sleeves & legs, plain colours from \$12.50
Full length, plain or striped designs from \$12.50
Silk and Rayon, plain or striped from \$22.50
ALL LESS 10% CASH DISCOUNT

MACKINTOSH'S LTD.
MEN'S WEAR SPECIALISTS

Swan, Culbertson & Fritz

Investment Bankers and Brokers
Members of New York Cotton Exchange
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Commodity Exchange, Inc., New York
Canadian Commodity Exchange, Inc., Montreal
New York Coffee and Sugar Exchange
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SHANGHAI, HONGKONG, MANILA and BUENOS AIRES
Cable Address: SWANSTOCK

ECONOMIZE ON COAL GAS FOR COOKING AND HOT WATER COOKERS and GEYSERS

on monthly hire from \$1.10
WRITE, CALL OR PHONE
HONG KONG & CHINA GAS COMPANY, LTD.

Central Showroom—Gloucester Bldg., (Corner of East Arcade). Tel. 24704.
Kowloon Showroom—240 Nathan Rd., (Corner of Jordan Rd.). Tel. 57341.

Home Press Approve Stand Against Japan

LONDON, July 28 (Reuter).—The situation arising from the Japanese move in Indo-China continues to take up a large share of London and provincial press comment.

“The Times” in a leader points with economic measures supported out that the United States’ Philippines of a United States Army obviously will be in concert with the Governments of the British Empire, can if necessary put an effective stop to Japanese trade not only with North America and the Empire but also with South America, where the bulk of Japanese trade is conducted in dollars or sterling through New York, San Francisco and London.

“The freezing orders cover by far the greater part of Japan's trade with the rest of the world, especially her trade in oil, metals and other munitions,” states “The Times.”

“It is safe to say that Japan would not have been able to carry on her war of aggression against China if American and British supplies had been denied her.”

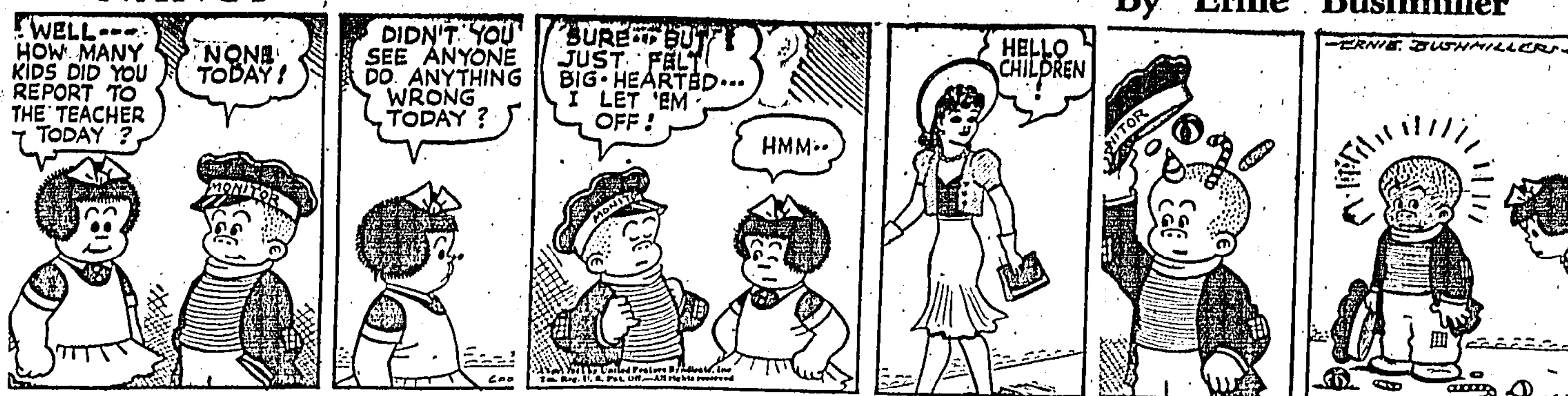
Reaction To Brigandage

“President Roosevelt's vigorous reaction to the brigandage of Japan

STONES AT BUS

Two windows of a Kowloon bus were smashed when some villagers threw stones at the bus in Sai Kung Road, Kowloon City, yesterday, according to a report made by Lam Cheung, driver of bus No. 779. The motive for the attack was not known.

NANCY



By Ernie Bushmiller

Crossword Puzzle

By JARS MORRIS

ACROSS

1—Medieval French
2—Fruit of chest
3—Practical joke
4—Plant used in
5—Dressing gown
6—Fruit of chest
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Effective Red Guerilla Work Behind Nazi Lines

MOSCOW, July 28 (Reuter).—M. Lozovsky, Vice-President of the Information Bureau, states that remarkable facts have been revealed confirming the great part played by Russian guerilla units behind the German lines in territory occupied by the Germans.

New examples occur daily of the valour which renders the occupation of numerous places nominally in the hands of the invaders most precarious.

Guerillas are often in contact with regular Red Army units and watch convoys and petrol going to the front and organize their interception. A guerilla unit recently captured trucks, killing the entire German garrison, and destroyed stocks of munitions and petrol and did not withdraw until German reinforcements were near.

At Leningrad, another guerilla unit destroyed a German tank, killed 30 soldiers, destroyed 3,000 tons of grain and petrol supplies and blew up two bridges.

Wire Across Road
At Barichew and Domnoveitch, guerillas destroyed with tank traps and artillery 30 tanks and armoured vehicles. Among clever guerilla tricks which cause panic among the Germans and which are widely practised everywhere are wires stretched across roads at night to knock off motor-cycles and iron spiked bars across road to puncture tyres.

The German Command is infuriated with these activities. M. Lozovsky added, and captured guerillas are killed with horrible tortures.

Nevertheless, they and the populations supporting them are more determined than ever.

Lesson To Home Guards
LONDON, July 28 (Reuter).—Russia's continued and firm resistance to the German attacks is emphasised in editorials dealing with the war situation.

A parallel between the defence by Russian guerillas and similar work that might be done by the British Home Guards is emphasised by the "Yorkshire Post," which says that the Russian campaign has shown that determined guerilla defence can do over familiar ground by countering the penetrative power of the Nazi mobile divisions.

There are solid grounds for believing that in the Home Guard Britain has found a similar sturdy reply to the menace of air-borne invasion.

Japan And Spain
The "Daily Mail" declares that the magnitude and meaning of the Russo-German war emerge with stark clarity as the conflict enters the sixth week. Japan and Spain have made clear their intentions at any sign of the Soviet weakening in resistance. Fortunately Russia still stands and shows no sign of weakening.

Our Police Force Maligned

Overheard by a Chinese detective to have said that the Hongkong Police Force were useless and were only "running dogs," Chan Yau-kuang, 22, unemployed, was arrested and charged before Mr H. C. Macnamara at Kowloon Magistrate's Court this morning with being a member of the Wo On Lok Triad Society.

Pleading guilty, Defendant was sentenced to six months' hard labour. Det-Sergeant H. J. Baldwin said that a Chinese detective went to the Yat Ting Ho tea house in Shanghai Street, Yaumatei, about 12.30 a.m. on Saturday. He overheard Defendant's friend saying that he would like to join the Street Guards and also Defendant advising him to join the Police force in the village and abusing the Hongkong Police Force. Questioned, Defendant admitted that he was a member of the Triad Society.

Mr Marriott of the Kowloon Docks, reports that during the last black-out exercise on July 22, some person stole 200 feet of wire rope valued at \$550 from the dock stores.

Baseball
Major League Standings To Date

NEW YORK, July 27 (UP).—Major Baseball League standing to date are:

AMERICAN LEAGUE			
	W.	L.	Pct.
New York	64	28	.696
Cleveland	53	41	.564
Boston	49	43	.533
Chicago	45	48	.484
Philadelphia	43	46	.483
Detroit	45	51	.469
St. Louis	36	54	.400
Washington	34	56	.378

NATIONAL LEAGUE			
	W.	L.	Pct.
St. Louis	60	32	.652
Brooklyn	50	33	.601
Cincinnati	48	41	.539
Pittsburgh	46	41	.529
New York	45	41	.523
Chicago	45	41	.523
Boston	36	53	.404
Philadelphia	22	66	.250

Major Baseball
BROOKLYN DODGERS BATTERED BY PHILADELPHIA

NEW YORK, July 27 (UP).—Though St. Louis Cardinals suffered defeat at the hands of Boston Braves, to-day, they have maintained top position in the National League as Brooklyn Dodgers, challengers for the pennant, were twice battered by Philadelphia Phillies.

Scores were:

NATIONAL LEAGUE			
	R	H	E
Boston	12	14	3
Philadelphia	1	12	4

AMERICAN LEAGUE			
	R	H	E
Cleveland	4	8	1
Boston	0	6	1
Chicago	0	5	1
Philadelphia	0	5	1
Detroit	0	5	1
St. Louis	0	5	1
Washington	0	5	1

Tokyo "Freezes" U.S. Firms

TOKYO, July 28 (Reuter).—The Finance Ministry has announced the names of 30 American firms in Japan under Government control under the Japanese freezing act, effective today.

The most prominent firms affected are the Ford Company branches, the Universal Film Company and General Motors.

Italians In Asmara Prove Amenable To Discipline

(By "Reuter's" Chief Correspondent in Cairo)

ASMARA, Eritrea, July 27.—Some Italians in this British occupied town are now coming out into the open as anti-Fascists. Others are unwilling to commit themselves while they suspect that there is any chance of Fascism returning, but practically all of them, officials and civilians, show an almost unnatural readiness to co-operate with the British authorities.

The general feeling among the Italians here is one of bitterness against their leaders. The political problem, however, is small compared with the economic problem facing the British administration.

Eritrea has always been developed by the Italians as a show place on economic lines. A big attempt is now being made to get the economic life of the country running. Eritrea has numerous garages and works ready for anything except to build cars, and they are said to be only equalled in England by Birmingham in numbers and equipment.

Resuming Work
British possession of this El Dorado of machine tools is helping to solve the transport problems of the Middle East. In addition to finding employment wherever possible, the British are supporting women and children with regular allowances.

Good relations exist between the Italians and British, South African and Indian troops now being stationed in the country. The feeling of irritation against the Italian leaders never varies.

Eritrean sea, rail and road routes are being opened by the authorities. The railway from the Red Sea port of Massawa, which may yet form a valuable link with Sudan, was fortunately little damaged and its cheap transport will reduce the cost of living.

Eritrea has been the testing ground of what Britain can do in administering and feeding occupied territory. Doubtless the experience gained here will be invaluable later in the harder post-war task of feeding Europe's millions.

KUNG SPEAKS TO AMERICA

Pledged To Win

SPECIAL TO THE "TELEGRAPH"
CHUNGKING, July 27 (UP).—Dr H. H. Kung, Minister of Finance and Vice-President of the Executive Yuan, broadcast to America to-day declaring that China is determined to fight the Japanese to the finish in order to make this the war that ends all wars and to gain a better world in the future.

"Our hearts are filled with confidence in our ultimate victory," he said. "Under the leadership of Generalissimo Chiang Kai-shek our soldiers are courageous and determined. Our men, women and children meet hardships and make sacrifices cheerfully. All Chinese are looking forward to the victory of the democratic world. We pledge our co-operation towards this end."

ASPHALTING BURMA ROAD

KUNMING, July 27 (International).—The resurfacing of the Burma Road has begun with 10,000 tons of asphalt from the United States. Many Chinese drivers are being trained in the United States to negotiate this international highway.

In about six months the road will achieve full operational efficiency and traffic will run all seasons day and night.

Improvements to the road include the installation of repair workshops, the use of radio-equipped mobile workshops, a relay of relief lorry drivers, well stocked gasoline stations and the proper maintenance of traffic.

Attitude Of Netherlands Undefined

BATAVIA, July 27 (Reuter).—The Netherlands East Indies are confidently awaiting the decision of the Netherlands Government in London which, it is already semi-officially announced, cannot view the Japanese action in Indo-China with equanimity.

No announcement is yet made to implement any action parallel to the Anglo-American freezing of Japanese credits but business quarters feel that something may be expected. Pending clarification of the issue, most businessmen are expected to hesitate before entering any new commitments when business opens again to-morrow after the week-end.

Although a certain tension here coincides with the black-out which started to-day, no nervousness whatever can be observed. Certain military preparations are being checked up as usual.

Fire In Tokyo Turkish Embassy

SPECIAL TO THE "TELEGRAPH"
TOKYO, July 28 (Domel).—Part of the Turkish Embassy was burnt down on Sunday afternoon when the building at Kameyamacho in Shibuya Ward caught fire at 1:10 p.m. The fire was soon put under control. The cause is unknown.

Members of the Turkish Embassy staff led by M. Hurrey George, Ambassador, escaped injury although their belongings were burned.

Quitters of Mayfair Left Their Mansions To Burn

LORD EBBISHAM, who has remained in London with his family through the blitz time, wants the Government to do something about his Mayfair neighbours who have run away, leaving others to protect their mansions from fire.

Lord Ebbisham lives in Upper Brook-street, W. He takes turn with his household staff in fire-watching.

All around him abandoned houses are bolted and barred. All around him on the night of the big West End blitz there were fires, some of which he says, could have been checked.

"Firemen had to break down doors to get at many of the incendiaries that fell," he said. "Keys should have been available."

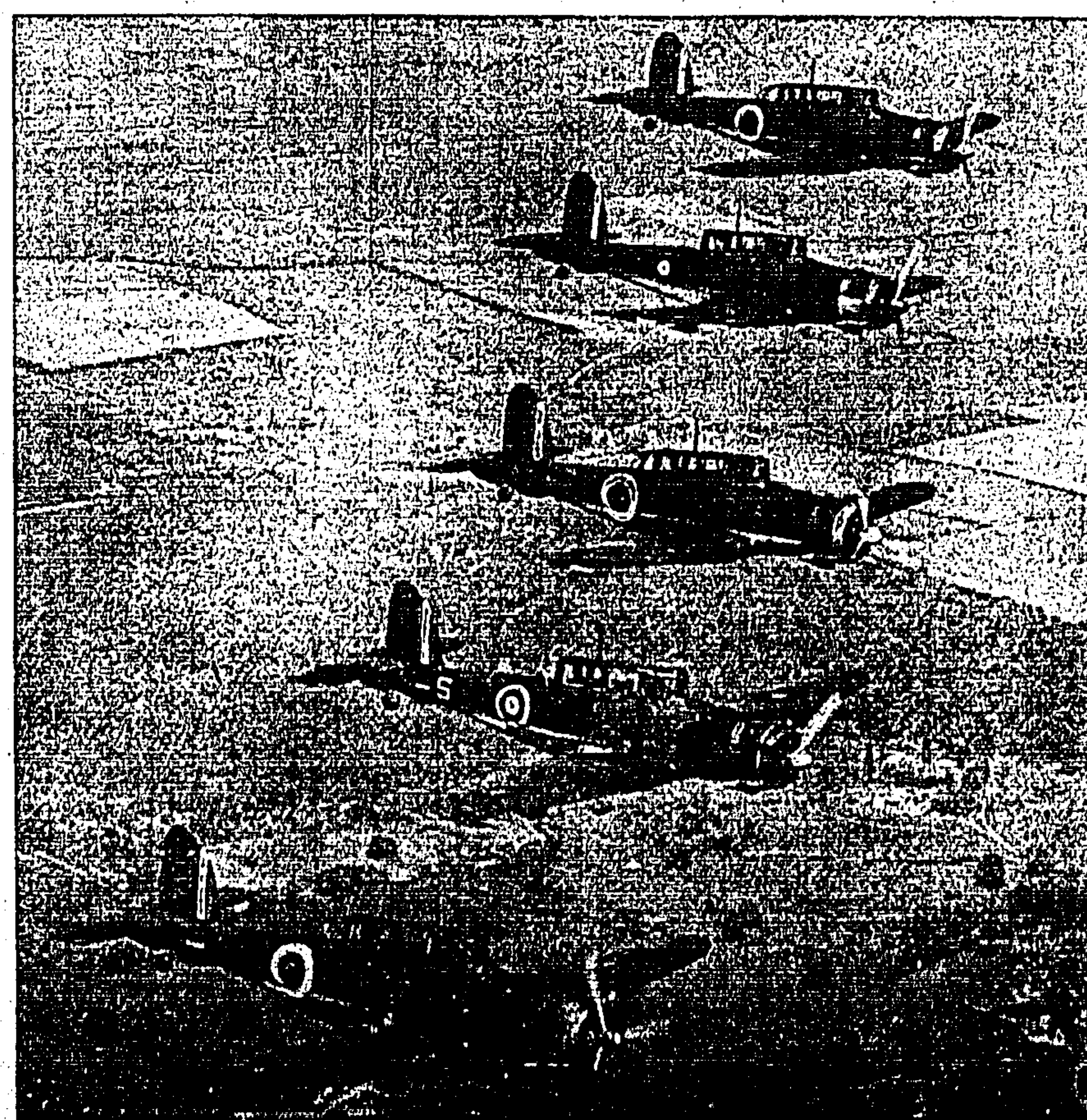
Give Wardens Keys
"The Government should make it compulsory for owners of unoccupied houses to leave their keys with A.R.P. headquarters—or the police. And if they go to safer places they should arrange some form of fire-watching."

Westminster City Council, A.R.P. authority for Mayfair, said they were arranging to obtain keys of as many empty houses as possible and were satisfied with the progress of their scheme for "group" fire-watching of occupied and unoccupied houses.

The Ministry of Home Security said: "It has been found that the quickest way to tackle a fire in an empty house is to break in. We encourage people to leave keys with their neighbours, but we cannot compel these precautions."

"Suppose an empty house was burgled. The warden who had the key might find himself in a most embarrassing position."

KEEP THE BOMBER FUND SOARING



TYPES OF BOMBERS HITTING HITLER
10.—The Blackburn Skua.

Smokers who desire
the best
ask for—

STATE EXPRESS 555

STATE EXPRESS 555 cigarettes have always been the best at any price. Their consistent high standard of quality is still maintained and they are the natural choice for those who gladly pay that little extra to obtain the best cigarette in the world.

The Best Cigarette in the World

50 for \$1.45

KIKK

SHOWING TO-DAY At 2.30, 5.10, 7.15 & 9.30 P.M.

HEROIC SPECTACLE THAT Baffles Description AND BURNS ITSELF INTO THE MEMORY OF EVERY TRUE AUSTRALIAN.



Released by Universal Pictures

FORTY THOUSAND HORSEMEN

Also LATEST BRITISH & UNIVERSAL NEWSREELS And "AUSTRALIA MARCHES WITH BRITAIN"

COMING SOON! "TALL, DARK and HANDSOME" with CESAR ROMERO - VIRGINIA GILMORE MILTON BERLE - CHARLOTTE GREENWOOD

4 SHOWS DAILY 2.30, 5.15, 7.15 & 9.30

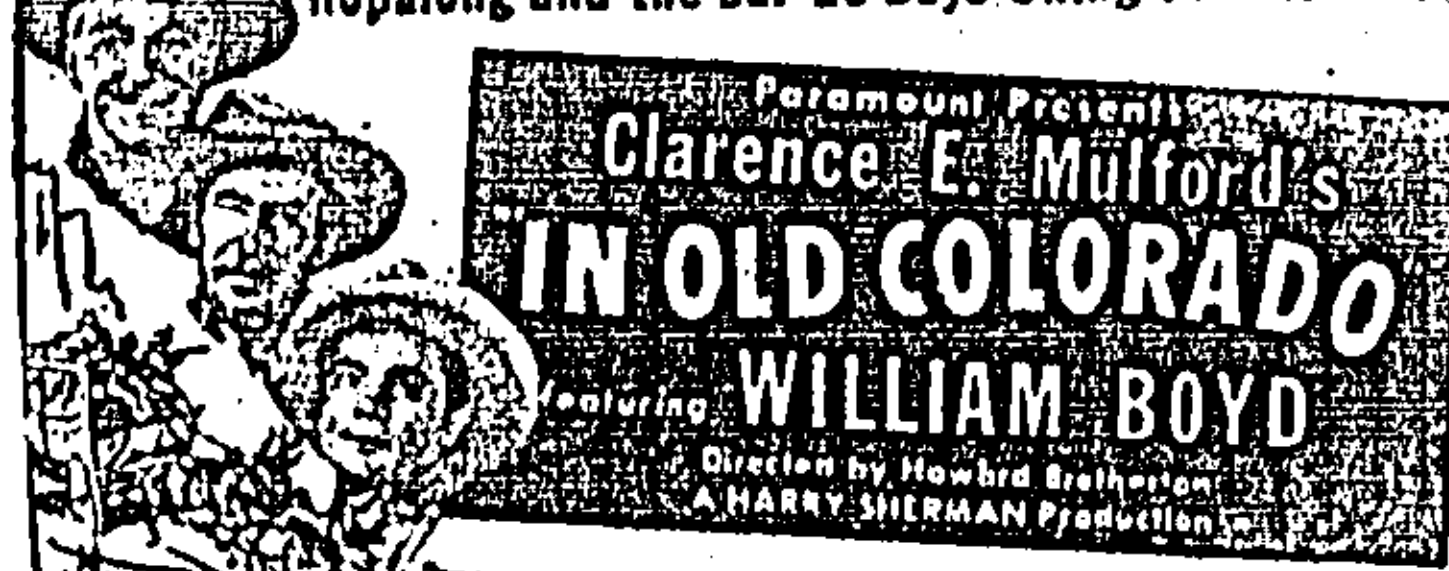
ORIENTAL

FLEMING ROAD WANCHAI TEL. 28473

LAST FOUR TIMES TO-DAY SENSATIONAL ACTION-PACKED WESTERN ADVENTURE! Cassidy brings law and order to a territory where six-guns were judge, jury and prosecutor.

A LAND WHERE BLAZING GUNS WROTE THE LAW!

Hopalong and the Bar-20 Boys Swing into Action!



TO-MORROW WEDNESDAY THURSDAY ONE OF THE GREAT ACTION DRAMAS OF ALL TIME!

"OBRIEN BENNETT" *Escape to Glory* MATINEES: 30c, 40c. EVENINGS: 30c, 40c, 55c, 70c.

4 SHOWS DAILY 2.30, 5.15, 7.15 & 9.30

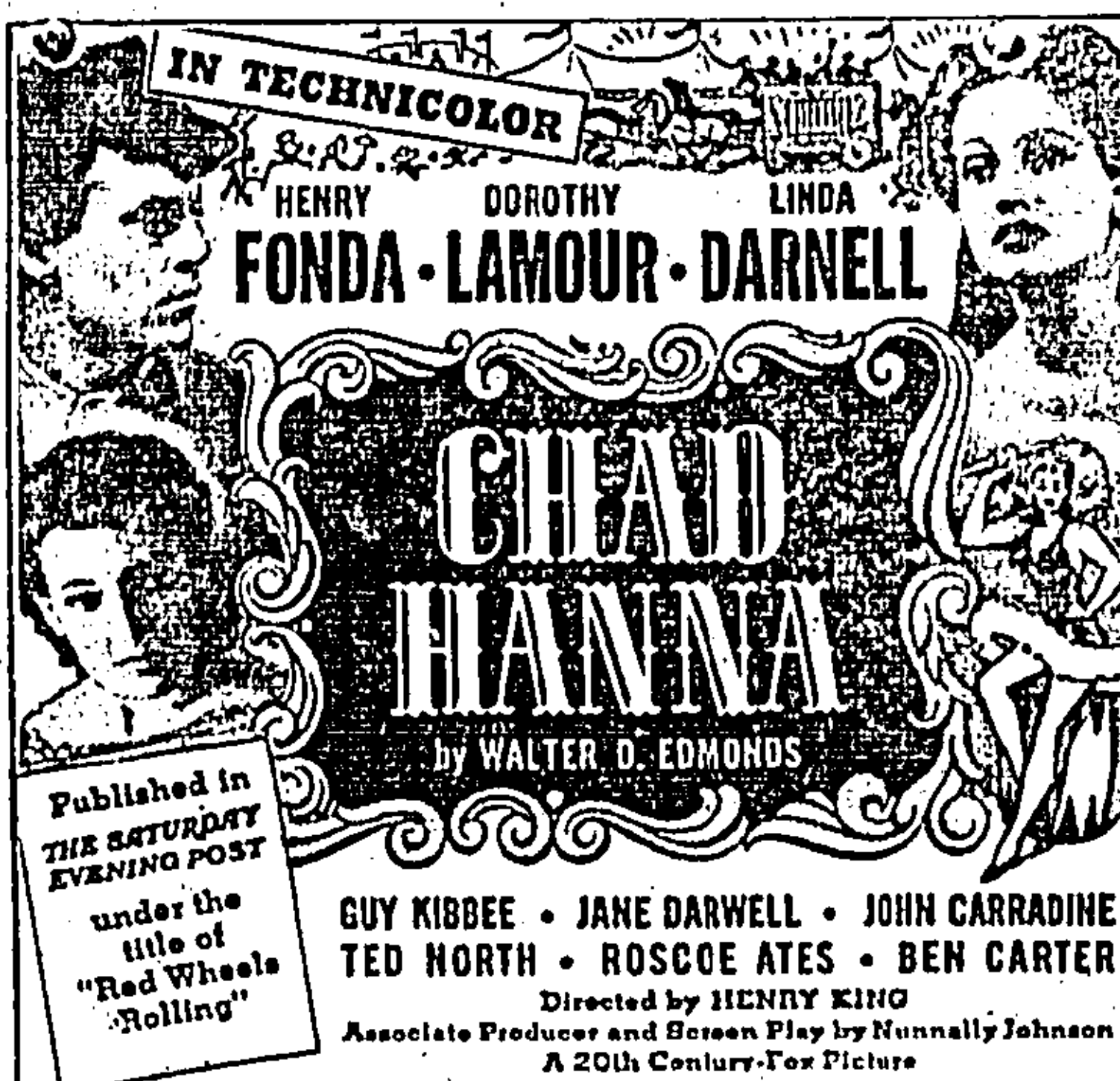
MAJESTIC

NATHAN ROAD KOWLOON TEL. 97223

MATINEES: 30c-40c. EVENINGS: 30c-40c-60c-70c.

SHOWING TO-DAY

A Thrilling Picture Filmed in Glorious Technicolor!



GUY KIBBEE • JANE DARWELL • JOHN CARRADINE TED NORTH • ROSCOE ATE • BEN CARTER

ADDED ATTRACTION:

LATEST MOVIE TONE NEWS Directly After the King's Theatre

NEXT CHANGE

AN ACTION DRAMA OF RUSSIAN-FINNISH WAR!

"SKI PATROL"

A New Universal Picture

Baron's Court PRIVATE HOTEL TEL. 58921 23-25 Nathan Rd., Kowloon. RESIDENTIAL HOTEL—QUIET LOCALITY—THREE MINUTES TO FERRY—GOOD FOOD—DAILY and/or MONTHLY RATES—SPECIAL RATES TO FAMILIES—PUBLIC DINING ROOM AND LOUNGE, Special Tiffin \$1.20 Under European Supervision.

THE CHANTECLER TRY OUR POPULAR \$1.00 TIFFINS Served in the Snick Bar

No Nazi Gains For 48 Hours

FROM PAGE ONE

That the Germans are massing troops on either the Turkish nor the Spanish frontier. Soviet Air Force Superiority MOSCOW, July 27 (UP).—The Soviet air force, claiming complete superiority over the Luftwaffe, reported that it had carried out a smashing aerial offensive from the Gulf of Finland to the Danube that had wrecked German bases and oil centres, transports and ships.

On the fronts, fierce fighting raged around the Smolensk and Zhitomir gateways to Moscow and Kiev, as the battle of Russia entered its sixth week with the German war machine apparently unable to make appreciable headway from the advance positions it held two weeks ago on the key fronts.

Savage Soviet counter-attacks that inflicted bloody losses on the Germans following the official account of the destruction of two Nazi divisions of infantry around Smolensk. After repulsing German attacks for twelve hours near a town identified as "K", killing hundreds of Germans, a Soviet regiment is reported to have counter-attacked, killing and wounding over 1,000 of the enemy.

In another sector, Soviet artillery, holding off waves of German attacks for three days, reportedly destroyed two entire battalions of German infantry, 15 tanks, two batteries, and a platoon using 105-millimeter guns.

German Air Losses For the fifth time this week, the Luftwaffe attempted to burst out from Moscow in a mass attack early on Sunday morning, sending about 100 bombers and fighters against the capital at midnight. A communiqué reported, however, that the latest attack was shattered like the preceding ones, and that only five or seven planes penetrated the defences. Official Soviet accounts say German efforts to bomb Moscow and Leningrad have cost the Nazis nearly 100 planes to date—56 shot down near Moscow and 41 approaching Leningrad, which the Germans tried to bomb 12 times, being driven off in every case.

Japanese Expect More Embargoes

FROM PAGE ONE

can scare Japan into adopting a more moderate policy.

The paper claimed that the United States had consistently followed a provocative policy in the Far East, adding, "the latest provocation will only serve to unite the Japanese nations and harden nation will bent upon achieving its ideals."

The "Yomiuri" said that the freezing of assets had compelled Japan and Indo-China to realise that "Asiatics must depend upon Asia's own resources."

STOCK MARKET REPORT

Hongkong Stock Exchange Official Summary, Saturday, is:

Buyers
H.K. Govt 3 1/2% Loan (1934) 94.25
H.K. Govt 3 1/2% Loan (1940) 94.25
Canton Ins \$225
Union Ins \$400
H.K. Fire Ins 185

Sellers
Hotels \$3.50
Trams \$17.50
Electricity "O" X Rts \$22.50
Electricity Rts \$11.25
Sales
Providents \$5.75
Lands \$35.60/35.00
Trams \$17.30
Electricity "O" X Rts \$22.25
Watsons \$10.75

NO HEAD FOR UNIVERSITY

SHIUKWAN, July 27 (International).—Sun Yat-sen University at Pingshek is now without a head following the relieving of his post of Hsu Huang-ching, the Acting Chancellor, and the refusal of Professor Chang Yun to take over the post.

Students and faculty members are in favour of the return of Dr Tsou Lou to his post. Tsou is at present in Chungking, serving as a member of the Standing Committee of the Kuomintang C.E.C. He was commissioned by the late Dr Sun Yat-sen to organise and maintain the university.

PURSUED SLAYS PURSUER

Shooting In Shanghai SPECIAL TO THE "TELEGRAPH" SHANGHAI, July 27 (Domestic).—Kenzo Shotoku, Japanese bluejacket, who was shot at 9.10 p.m. last night while pursuing a Chinese who evaded the Japanese patrol at the intersection of Kunming and Alcock Roads, died to-day at the Japanese naval hospital. Search is being continued for the murderer.

Red Para-Troops Land In Bulgaria

SPECIAL TO THE "TELEGRAPH" ANKARA, July 27 (UP).—It is learned reliably that Russian parachutists landed in the last few days in Bulgaria.

A few were rounded up and killed and the remainder were hidden and protected by peasants.

Dr L. T. Ride, of No. 7 the Peak, reports that someone entered an open bathroom window at his premises early yesterday morning and stole money and gold cuff-links valued at \$80.

Five Cheat Death In Accident

Make Perilous One-Point Landing

DENVER, June 5 (AP).—A courageous army pilot and his four passengers laughed in the teeth of disaster yesterday, "riding out" a huge crippled \$200,000 army bomber in a spectacular one-wheel landing.

Lives of the five men were imperilled after the 200-pound tire burst during a takeoff at the army air corps technical school at Lowry Field here.

Once aloft, Lieut. Arch Campbell, the pilot, from Fort Worth, Texas, and his four companions shook hands all around. He suggested they vote to "ride it out."

For an hour and a half, with hundreds of officers and soldiers watching from below, Campbell dived back and forth over the field, to lighten the gasoline load and facilitate the perilous one-point landing.

Finally he eased the ship down, 100 feet from the runway, and as soon as the right tire touched the concrete runway, Campbell cut all switches and threw every ounce of his rugged frame against the right wheel brake. This kept the ship from swerving to the left on the bad tire and somersaulting.

For 500 feet the big plane slid along the concrete, bouncing from side to side until finally the right casing also burst. Rubber screamed on the runway, sparks flew from the wheels and smoke plumed from the ripped tires.

A Record Run Of Salmon

Predictions Upset

THE DALLES, Ore.—Upsetting predictions, the United States District Engineer's Office has reported that the spring salmon run over the fish ladders at Bonneville Dam is the largest on record.

Many a commercial fisherman declared four years ago, when Bonneville Dam closed off the open Columbia River run of salmon to their spawning grounds, that the salmon would come back in decreasing numbers each year.

During April, figures just released reveal that fish counters at the dam checked 61,501 chinook salmon passing the ladders compared with 37,253 in April of last year.

In fact fish of every type have been churning up the swirling waters of the Columbia so fast that checkers have been forced to close their gates for 15 minutes of each hour. Chinook and steel-head salmon, white fish, trout, and so-called scrap fish slip over the white flash boards which outline the migrating fish for the Government spotters.

This year's spring run began one week earlier than usual.

LATE NEWS

Official Story Of Annihilation Of Nazi Forces

FROM PAGE ONE

mechanised infantry completed the encirclement of the enemy.

Bombs On Trap

"Early in the morning, squadrons of Soviet bombers flew over the German division. Hundreds of bombs were dropped on the fascists. The enemy brought their artillery into action, employing anti-tank and other guns and made a desperate attempt to break through the encirclement, but everywhere encountered artillery and machine-gun fire.

"Our anti-tank guns destroyed 20 German tanks and light armoured cars. Several frontal attacks were launched by the Germans in an attempt to save the division from its inevitable fate, but all were repulsed with enormous losses to the enemy. The fire and resistance of the encircled division weakened every hour.

Tanks Complete Kill "At the end of the second day's fighting our troops assumed the offensive. Our tank units annihilated the remnants of enemy batteries and machine-guns. Our tanks and brave infantrymen hurled themselves against a unit of the German infantry division. Tanks going at full speed crushed and machine-gunned at point-blank range fascist soldiers.

"According to preliminary reports, 4,000 German officers and soldiers found their graves on the field of battle. Our stretcher-bearers picked up about 3,000 and some hundreds of wounded.

"A large number of prisoners were taken, and several dozen tanks, a large number of lorries and motorcycles, 40 anti-tank guns, 12 heavy guns and eight light guns and 20 mine-throwers were destroyed.

"The rest of the annihilated division fled in panic."

German Counter Claims BERLIN, July 27 (UP).—It is officially stated, that the Soviet resistance which slowed down the German drive on Moscow has been crushed with the "complete annihilation" of two Soviet divisions around Mogilev, 90 miles southwest of Smolensk and deep behind the Nazi advance line.

The "entrapped" Soviet forces around Mogilev on the Dnieper were finally crushed after days of savage fighting when 23,000 Russians were taken prisoner, the official news agency reports, adding that 2,000 Russian divisions of perhaps 15,000 men were wiped out in "another great victory of encirclement" and that German war booty includes 181 guns, 60 anti-tank guns, and 750 motor vehicles of all types.

Nazi quarters assert that German advance forces are striking steadily towards Viazma, key highway centre 92 miles east of Smolensk and only 140 miles from Moscow. Soviet resistance is also stated to be collapsing on the South Ukrainian front where German panzer forces, aided by the Luftwaffe, bombing of railways, are reported by the official agency to have "broken into the hinterland deep behind the Soviet lines," after a surprise attack on a Soviet supply depot where 132 amphibian tanks are stated to have been captured.

The High Command communique issued on Sunday said that operations on the entire 1800-mile Russian front were "continuing with success" and reported that German bombers, in the fifth night attack on Moscow, heavily bombed traffic facilities and supply warehouses. The official news agency added that 110 tons of bombs, as well as several thousand incendiary bombs smashed Moscow on Saturday night and Sunday morning with direct hits on military objectives. Not a single German plane was lost, the agency declares.

TENSION IN SHANGHAI

FROM PAGE ONE

the Japanese-controlled areas, it is understood that the foreign authorities anticipate similar closures and difficulties in the future, for which reason they are advising residents to evacuate to the Settlement if possible.

The Japanese have prevented thousands of Chinese from returning home to Hongkong while they searched for terrorists. However, they permitted foreigners to pass if they possessed passports. There is no confirmation of the report that the Japanese terrorised refugee Jews, but foreigners reported the beating up of Chinese who attempted to evade the Japanese cordon.

Both Hongkong and Szeenwei are now open.

Distributing Centre For Lottery Tickets

Wong Chung, 30, shop foh, was fined \$80 by Mr G. T. Lowry at Central Magistracy this morning for keeping the third floor of No. 2 Po Hing Fong, as a lottery-house, on July 26, and possession of 321 Macao lottery tickets. Li Yee, 24, house foh, and Wong Pun, 30, shop foh, were each fined \$50 for possession of the lottery tickets.

It was stated that about 8.40 a.m. on July 26 the premises were raided and the lottery tickets together with \$12 were discovered.

Mr E. C. Luscombe, Assistant Superintendent of Police, stated that lately a large number of lottery tickets had been sent to the Colony from Macao and he believed the address in the present case to be one of the distributing centres. He asked His Worship to take a severe view of the matter.

London Air Alert

LONDON, July 28 (Hauter).—An air raid alert sounded in London early this morning followed by gun fire.

QUEEN'S & ALHAMBRA

AT 2.30-5.15-7.20-9.30 TEL. 31453 • AT 2.30-5.20-7.20-9.30 TEL. 56856

FINAL SHOWINGS TO-DAY



TO-MORROW Ann Sothern - Ian Hunter - Roland Young An M-G-M Comedy in "DULCY"

4 SHOWS DAILY AT 2.30, 5.20, 7.20 & 9.20 P.M.

TO-DAY ONLY CARY GRANT CLAUDE RAINS "LAST OUTPOST" A Paramount Picture

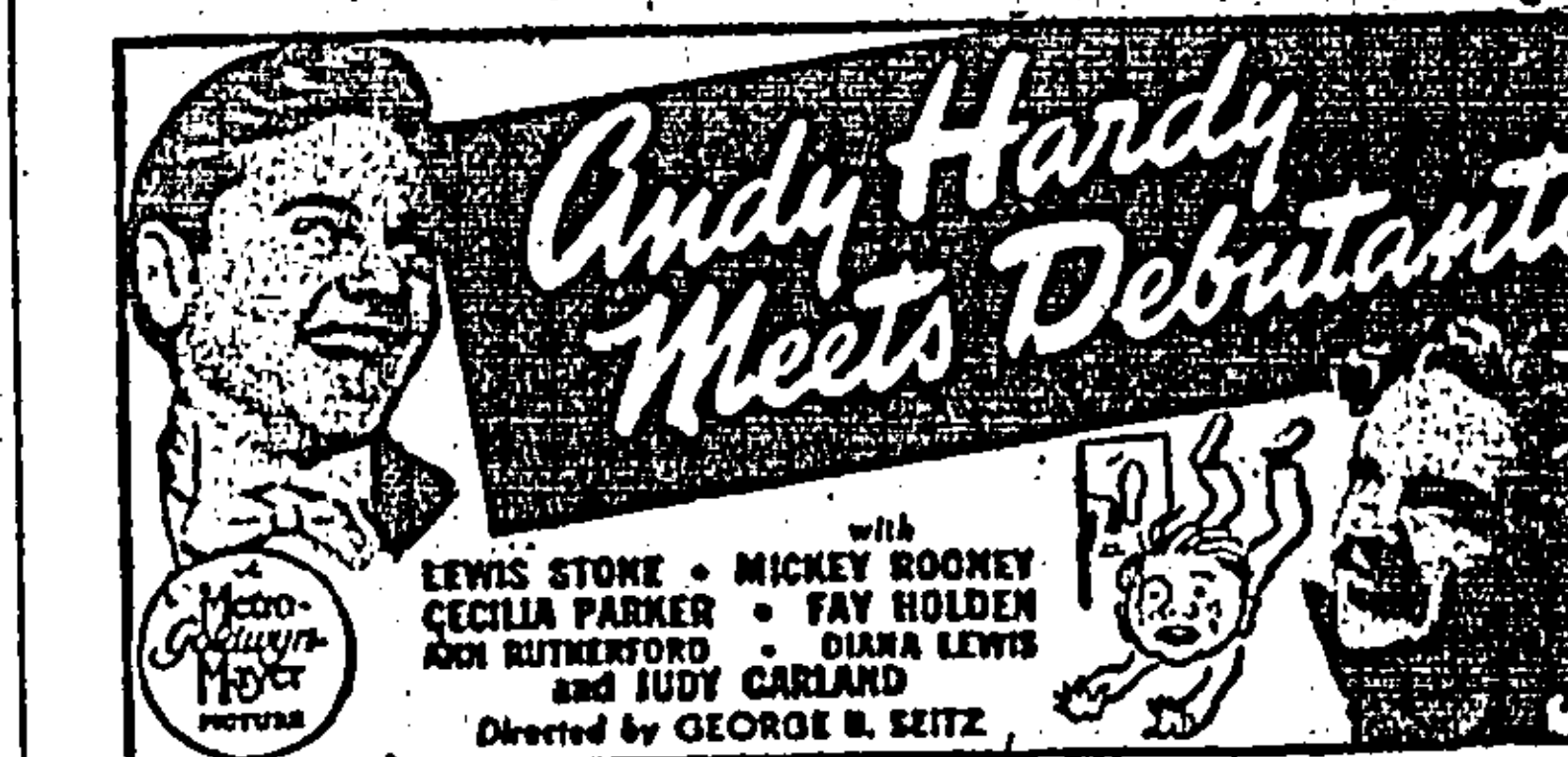
TO-MORROW CONSTANCE BENNETT ROLAND YOUNG "TOPPER TAKES A TRIP"

TAKE ANY TRAM OR HAPPY VALLEY BUS. W

CATHAY

DAILY AT 2.30 5.15 7.20 & 9.30 P.M.
Matinees: 30c, 40c. Evenings: 30c, 40c, 55c, 70c.

SHOWING TO-DAY Mickey and Judy... together again... in gay New York! Mickey woo woo! Judy sing! The Hardy family's adventures are merrily exciting!



ALSO: "Goldilocks & the 3 Bears"—Colour Cartoon

NEXT CHANGE: "TWO GIRLS ON BROADWAY" Lana Turner—Joan Blondell

LEE THEATRE

DAILY AT 2.30 5.15 7.20 & 9.30 P.M.

COMMENCING TO-DAY BOOKING AT WHITEAWAYS

They LOOKED alike—but didn't make LOVE alike!



A UNIVERSAL PICTURE

A Mellow Blend of Choicest Empiro and Exotic Pipe Tobaccos



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